

18 November 2024

2024 Full Year Results Presentation

Attached is the Elders Limited (**ASX:ELD**) presentation of the financial results for the 12-month period ended 30 September 2024.

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Elders Limited Board of Directors

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185

EST. 1839

185 years of Elders

1839

2024

Full Year Results Presentation for FY24

18 November 2024

Presented by
Mark Allison
Managing Director and CEO

Paul Rossiter
CFO

Disclaimer And Important Information

The material in this presentation has been prepared by Elders Limited and is general background about Elders' activities and performance at the date of this presentation. The information is in summary form, does not purport to be complete, and where derived from publicly available sources has not been independently verified. Information in this presentation is not advice or a recommendation to investors or potential investors in relation to holding, selling or buying Elders shares and does not take into account a reader's investment objectives, financial situation or needs.

Forward looking statements

This presentation is prepared for informational purposes only. It contains forward looking statements that are subject to risk factors associated with the agriculture industry many of which are beyond the control of Elders. Elders' future financial results will be highly dependent on the outlook and prospect of the Australian farm sector, and the values and volume growth in internationally traded livestock and fibre. Financial performance for the operations is heavily reliant on, but not limited to, the following factors: weather and rainfall conditions; commodity prices and international trade relations. Whilst every endeavour has been made to ensure the reasonableness of forward looking statements contained in this presentation, they do not constitute a representation and no reliance should be placed on those statements.

Non-IFRS information

This presentation refers to and discusses underlying profit to enable analysis of like-for-like performance between periods, excluding the impact of discontinued operations or events which are not related to ongoing operating performance. Underlying profit measures reported by the Company have been calculated in accordance with the FINSIA/AICD principles for the reporting of underlying profit. Underlying profit is non-IFRS financial information and has not been subject to review by the external auditors, but is derived from audited accounts by removing the impact of discontinued operations and items not considered to be related to ongoing operating performance.

Agenda

01 Executive Overview

02 Financial Results

03 Strategy and Outlook

04 Questions

05 Appendix

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Executive Overview

Presented by Mark Allison (Managing Director and CEO)



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Key Investment Drivers

Australia's most trusted agribusiness brand amongst farmers five years in a row

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- Through the cycles shareholder value generation
- Positioned to benefit from return to average seasonal conditions
- Target cash conversion above 90% and dividend payout of between 40-60%

EPS Growth



- Multi-faceted agribusiness
- Diversified product offerings and location
- Streamlined supply chain offering

Geographic, product and channel diversification



- Room to grow market share in a large total farm inputs market
- Opportunities to drive operational efficiencies
- Selective organic and acquisitive growth

Attractive market and company outlook



- Cost and capital efficiencies
- Systems Modernisation benefits expected from FY25
- Rural Products supply chain optimisation

Transformational initiatives benefits



- Network expansion opportunities
- Bolt on acquisition synergies
- Member growth for wholesale network

Significant pipeline of new opportunities



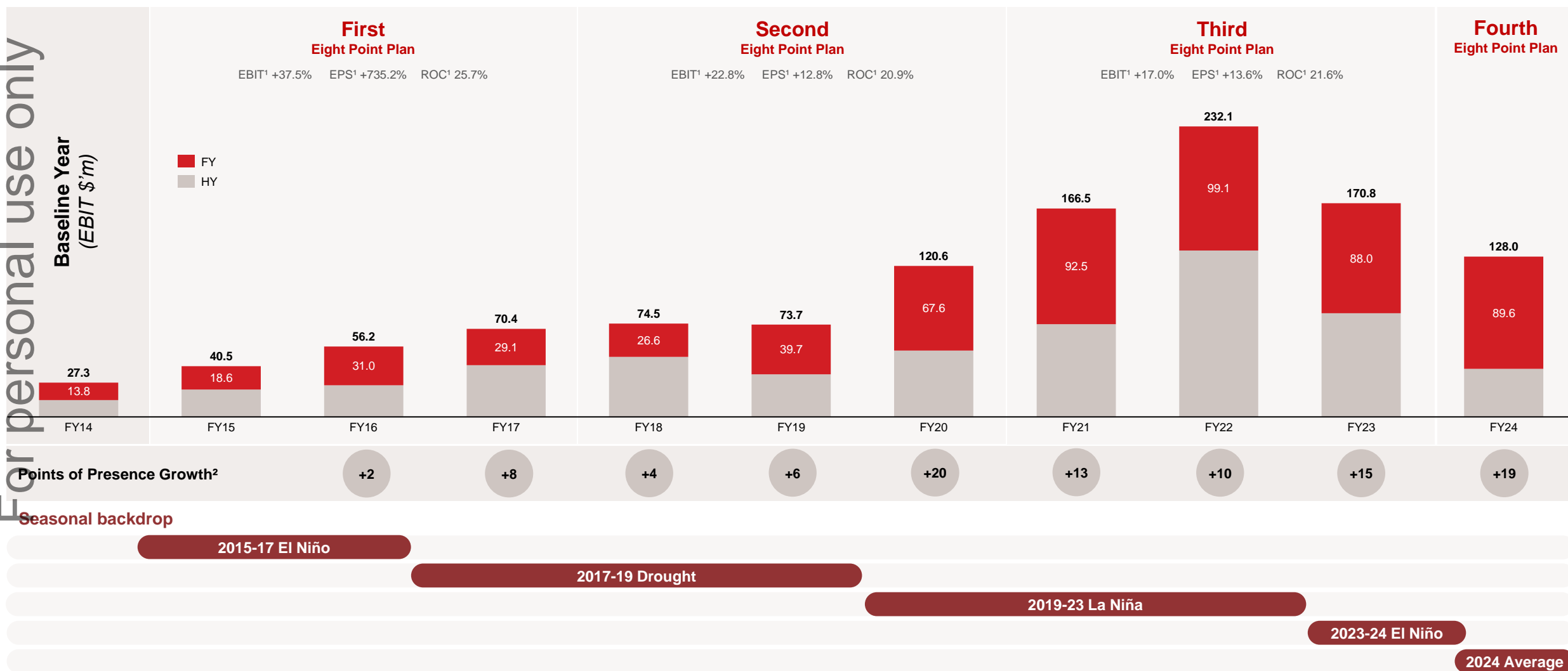
- Resilient balance sheet
- Covenant leverage headroom
- Accounting leverage forecast to reduce from collection of debtors and normalisation of Q1
- Shareholder returns focus

Robust balance sheet supporting growth

Earnings Resilience Through Seasonal Volatility

Resilient EBIT reflects improving seasonal conditions and client activity notwithstanding lost first quarter earnings

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1. Average EBIT and EPS growth and average ROC over the Eight Point Plan period
 2. Growth generated from acquisitions does not include additional points of presence from greenfield locations

People and Customer Highlights

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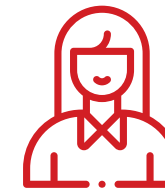
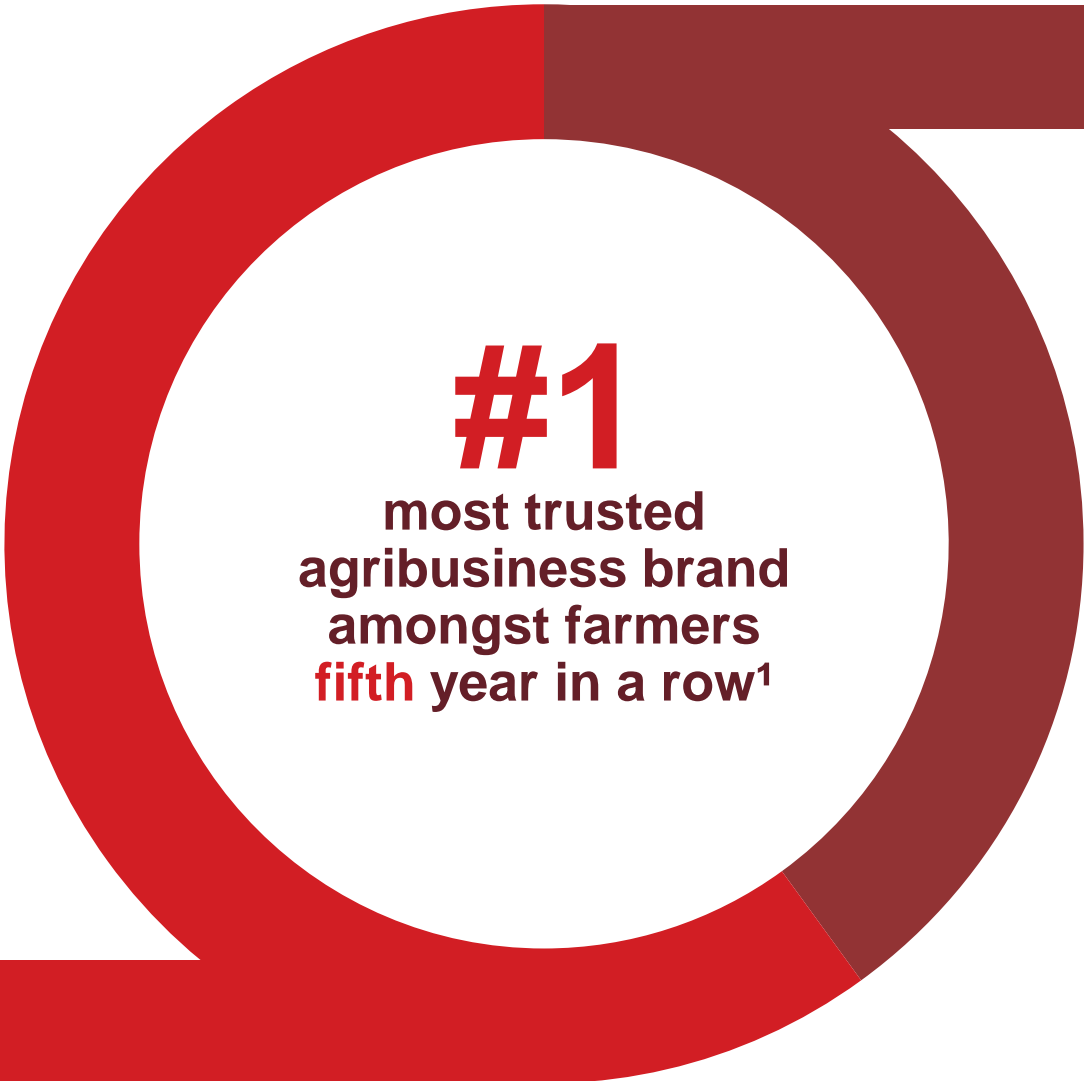
2
lost time injuries



9.0
total recordable injury
frequency rate



47
net promoter score



45%
women in the workforce



21%
women in senior positions

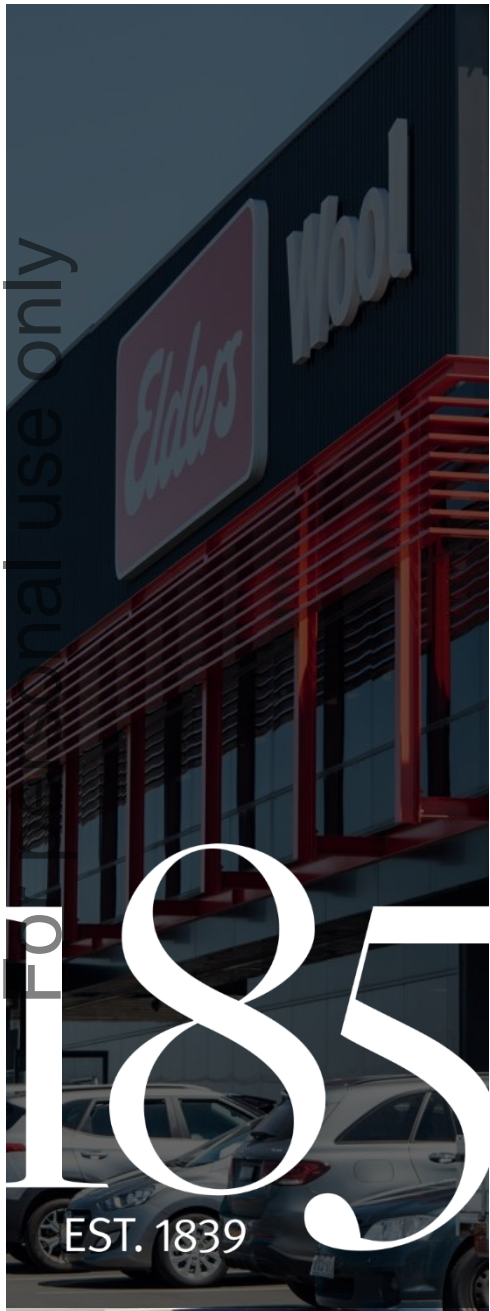


77%
employee engagement



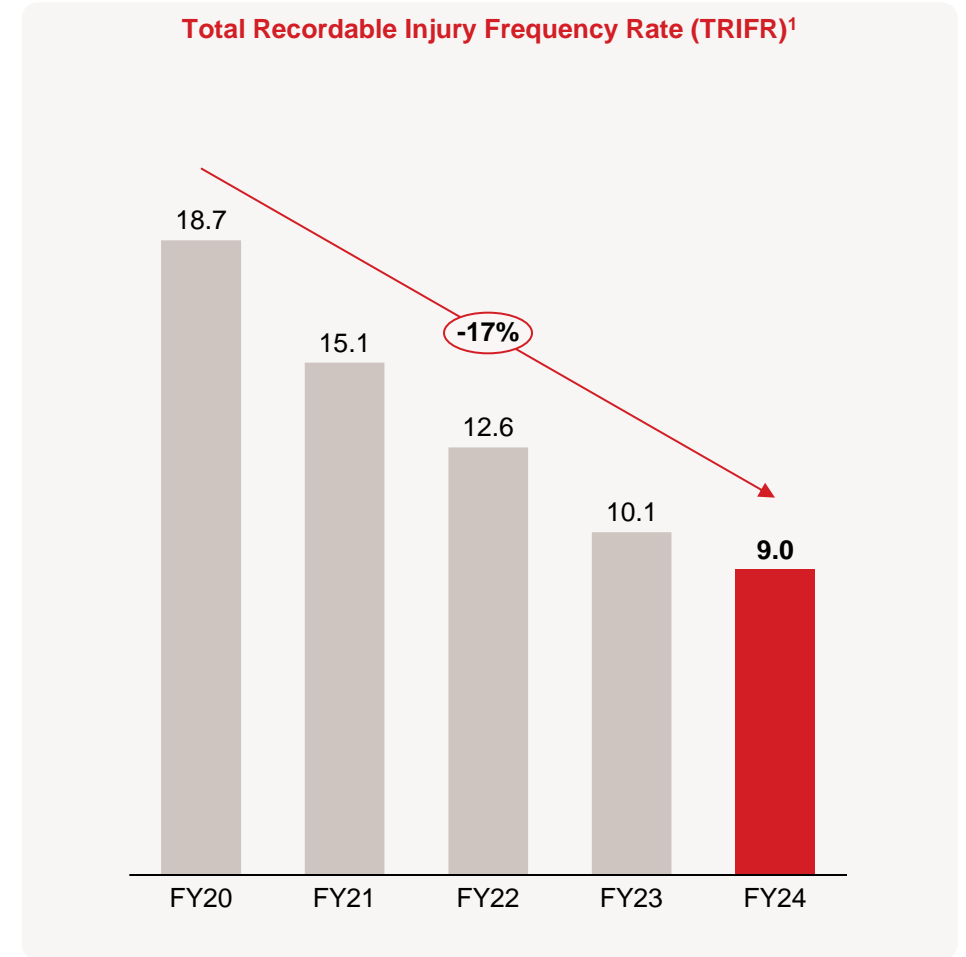
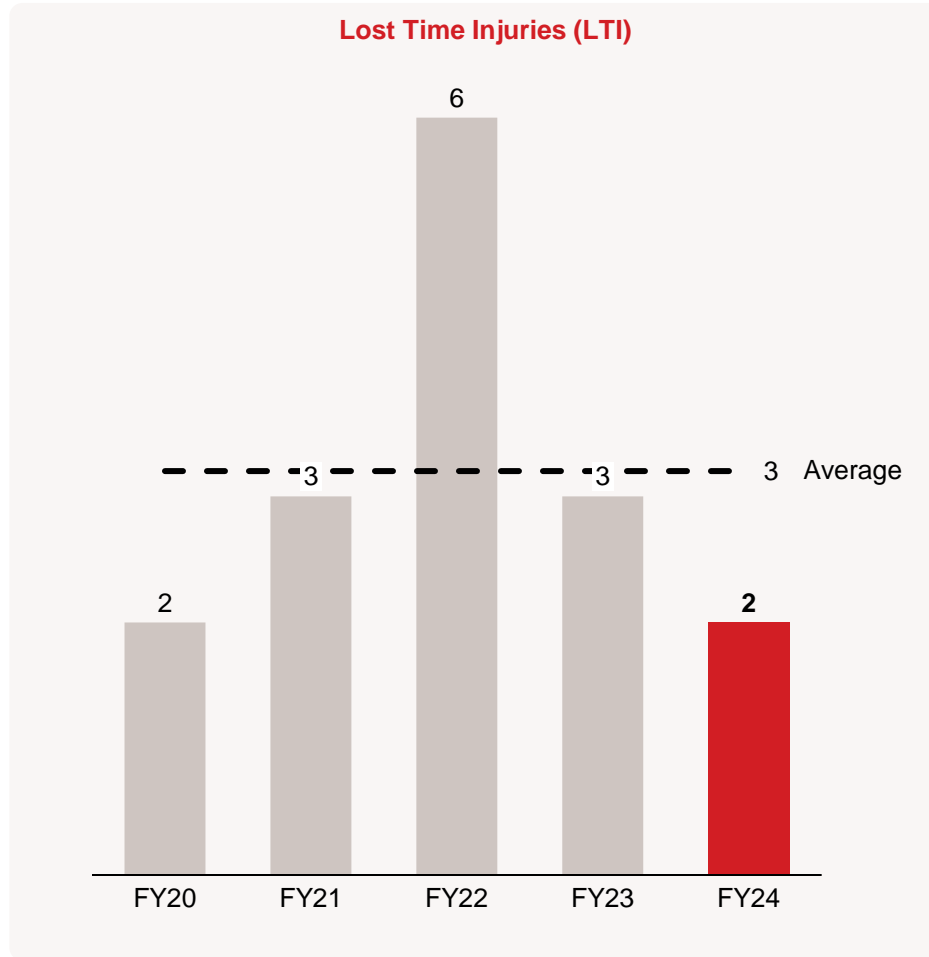
21
additional points of presence

1. "Most Trusted Agribusiness Products and Services Brand", and the 'Best of the Best Most Trusted Agribusiness Brand' in the 2024 Roy Morgan Trusted Agribusiness Brand Awards



Safety, Health and Wellbeing

Sustaining a safer working environment



1. All fatalities, LTIs and medical treatment injuries multiplied by 1,000,000 then divided by hours worked

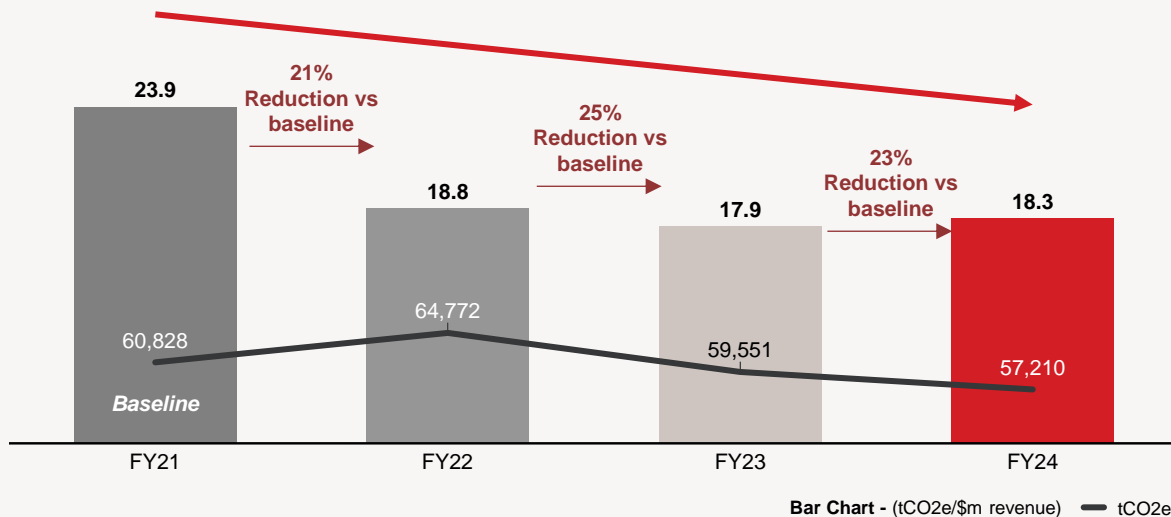
Sustainability Performance

On track to achieve Scope 1 and 2 emission targets by 2030

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CLIMATE TARGETS¹

Targets set to reduce our Scope 1 and 2 greenhouse gas emissions:



Targets

100% renewable electricity in all Australian sites by 2025²

50% reduction in Scope 1 and 2 emissions intensity (tCO₂e/\$m revenue)

by 2030, against a baseline year, 2021 (subject to commercially viable technology being available to address feedlot cattle emissions)

Net zero Scope 1 and 2 emissions by 2050¹ (tCO₂e)

OUR PROGRESS

- Focus for 2024 was embedding our sustainability principles into business operations
- Implementation of centralised waste management services provider, driving waste reduction initiatives
- Implementation of an ethical sourcing platform, enhancing supplier risk screening
- Partnering with Big Bag Recovery to promote enhanced awareness of plastic bag recoverability through Elders collection points
- Targeted solar and LED lighting site upgrades to reduce emissions
- Solar array at Killara Feedlot installed and commissioned
- Commenced trial of electric vehicles at several of our real estate branches

1. Scope 1: direct emissions from owned or controlled sources. Scope 2: indirect emissions from the generation of purchased electricity. Reported emissions are based on the period 1 July 2023 to 30 June 2024

2. Target achieved through on-site solar generation and purchase and retirement of LGCs

Financial Overview

Improved second half unable to fully offset materially impacted first quarter earnings, notwithstanding improving seasonal conditions and client sentiment

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\$128.0m

Underlying EBIT

-25% YOY

Negatively impacted by the Q1 result



11.3%

Return on Capital

R12 EBIT/ R12 avg net operating assets

from 16.0%

Below target benchmark due to Q1 EBIT impact and capital spend on transformational projects



129%

Cash Conversion

YTD Operating cash flow / YTD U'NPAT

from 163%

Negatively impacted by higher debtors at balance date



36c

Dividends Per Share

from 46 cents

Dividend payout ratio temporarily above target elevated because of Q1 underperformance

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Financial Results

Presented by Paul Rossiter (CFO)



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Financial Performance Overview

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FY24 Underlying EBIT

- EBIT within guidance, supported by return to average seasonal conditions in most regions
- Achievement of cost targets
- Second half EBIT exceeded 2H23



Fourth Eight Point Plan

- Thirteen acquisitions in FY24 with ongoing pipeline
- Growing our footprint and diversifying our product portfolio
- Transform our business through enhanced systems and processes



Operational Resilience

- Average seasonal conditions forecast in FY25
- Continued recovery expected in client sentiment
- Ongoing commitment to cost and capital discipline



Financial Ratios

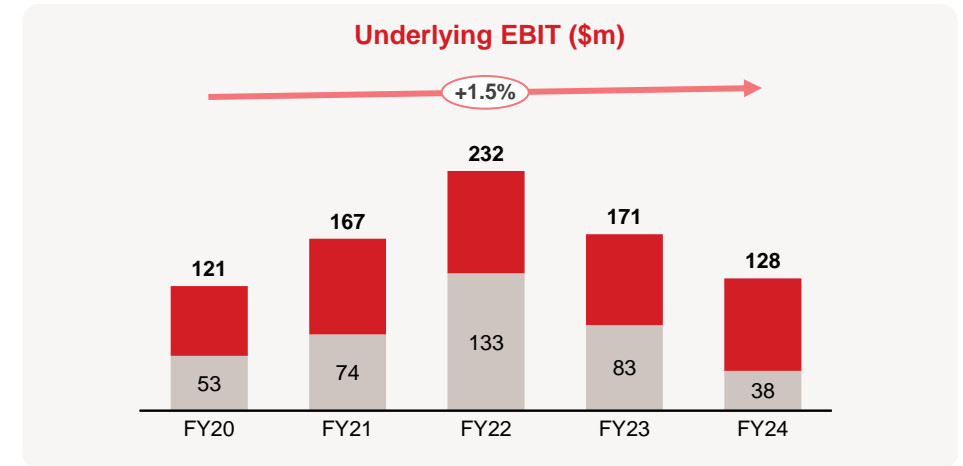
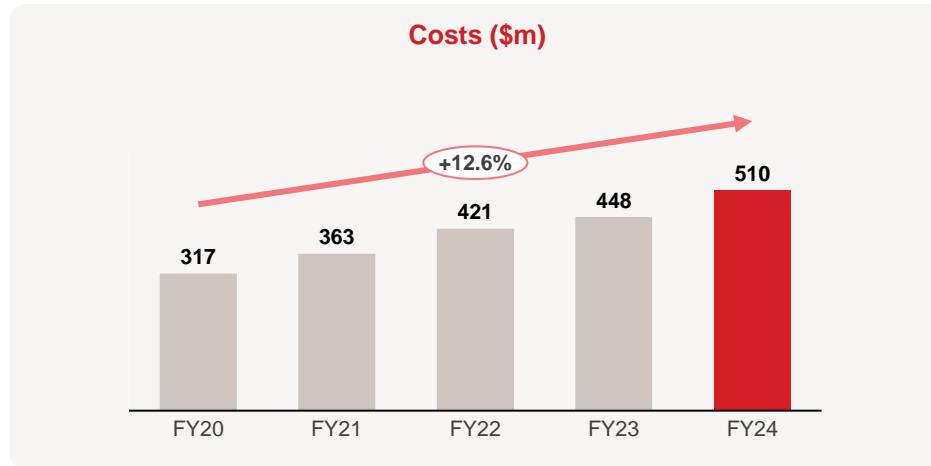
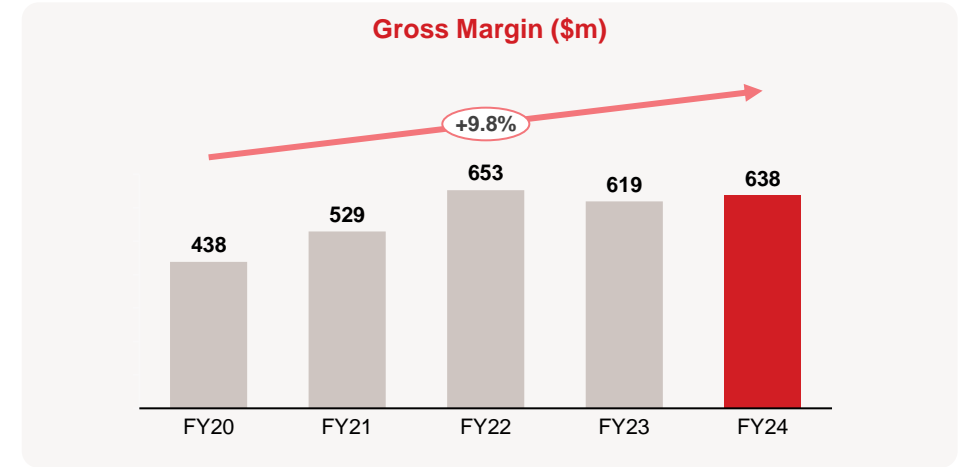
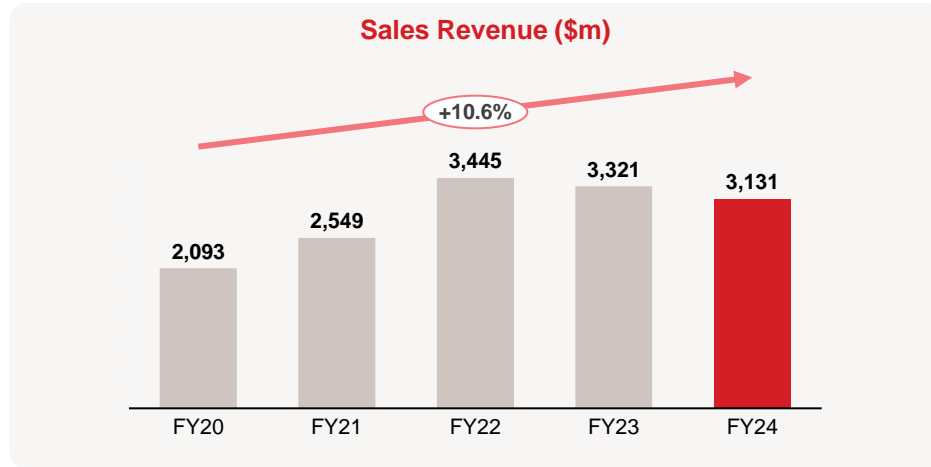
- Headroom maintained in bank covenants
- Leverage ratio forecast to return within target range (1.5x – 2.0x) by FY25 H1¹
- ROC negatively impacted by generational spend on transformational projects
- Cash conversion greater than 90% of underlying NPAT

1. Subject to a normal 1Q FY25 and average seasonal conditions



Five-Year Financial Performance

EBIT within guidance with forecast return to average seasonal conditions forecast in FY25



CAGR calculated on full year performance

Cost base elevated following the change in Elders Wool cost methodology from inclusion in gross margin to operational costs

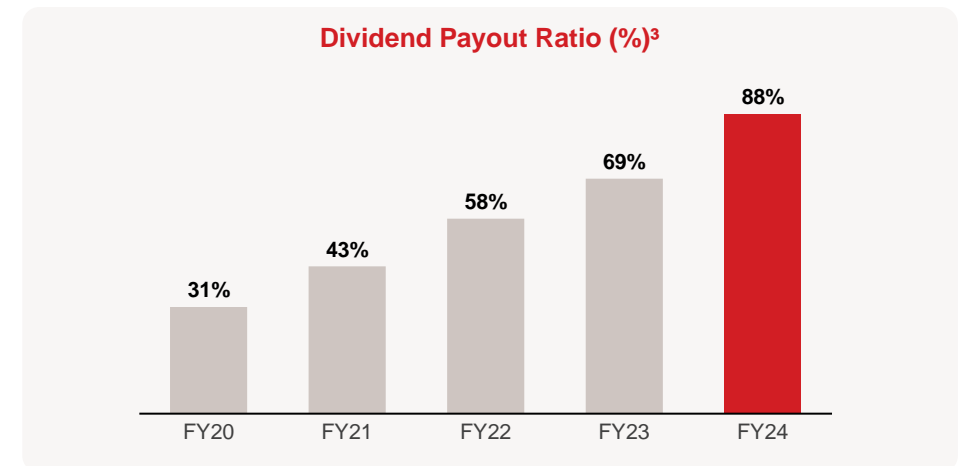
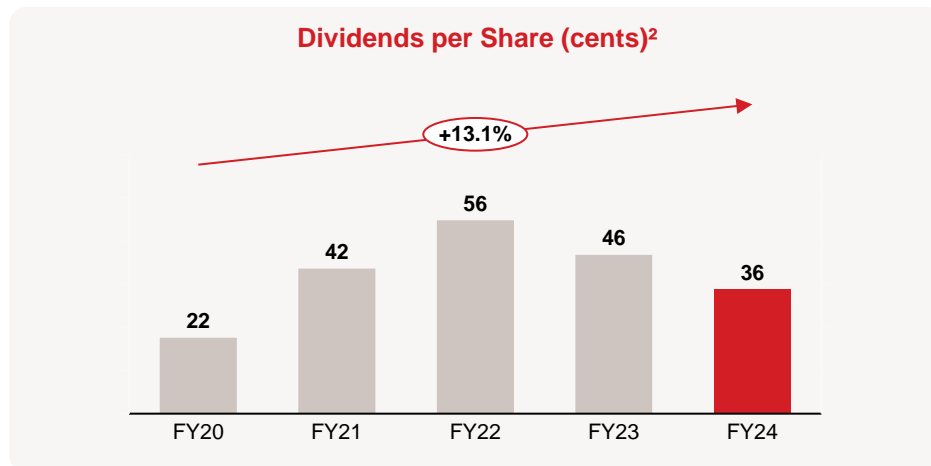
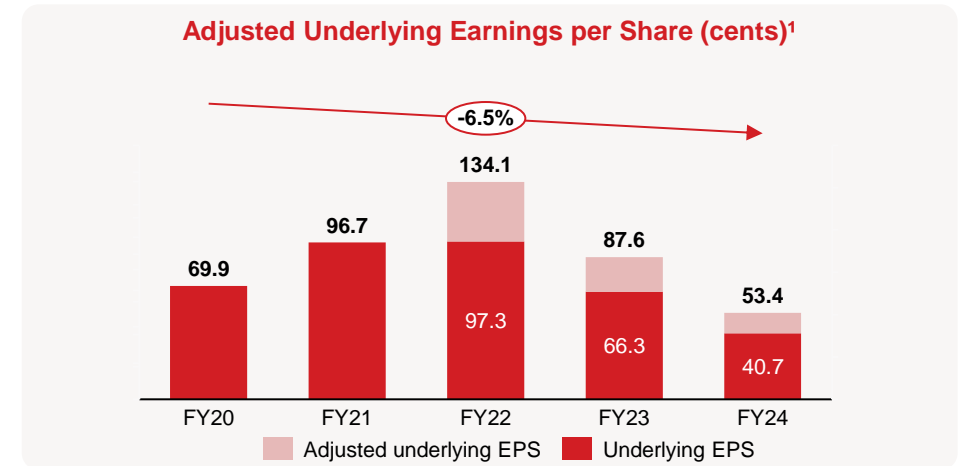
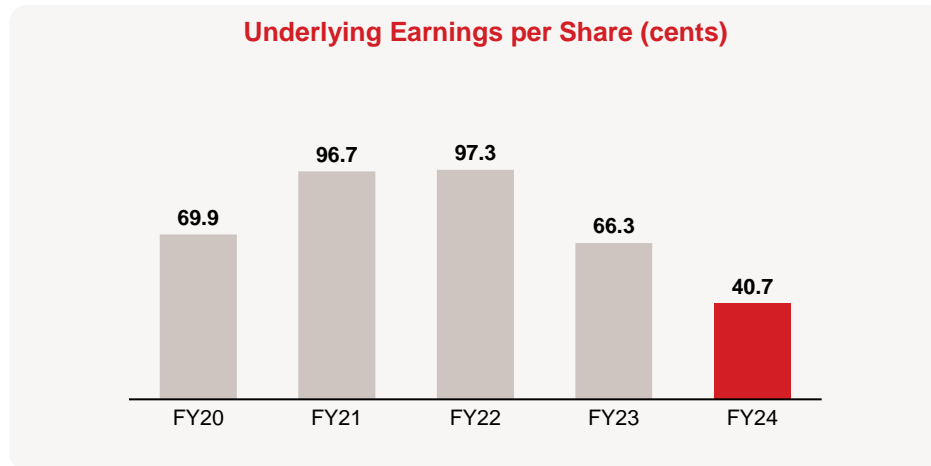
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Five-Year Shareholder Returns

FY24 materially impacted by seasonal and market conditions in the first quarter



- Adjusted for underlying tax expense recognised from 1 October 2021
- Franked Percentages, FY20 (100%), FY21 (20%), FY22-23 (30%), FY24 (60%, average)
- Elders dividend policy considers the maintainability of dividends and hence looks through seasonal events such as Q1

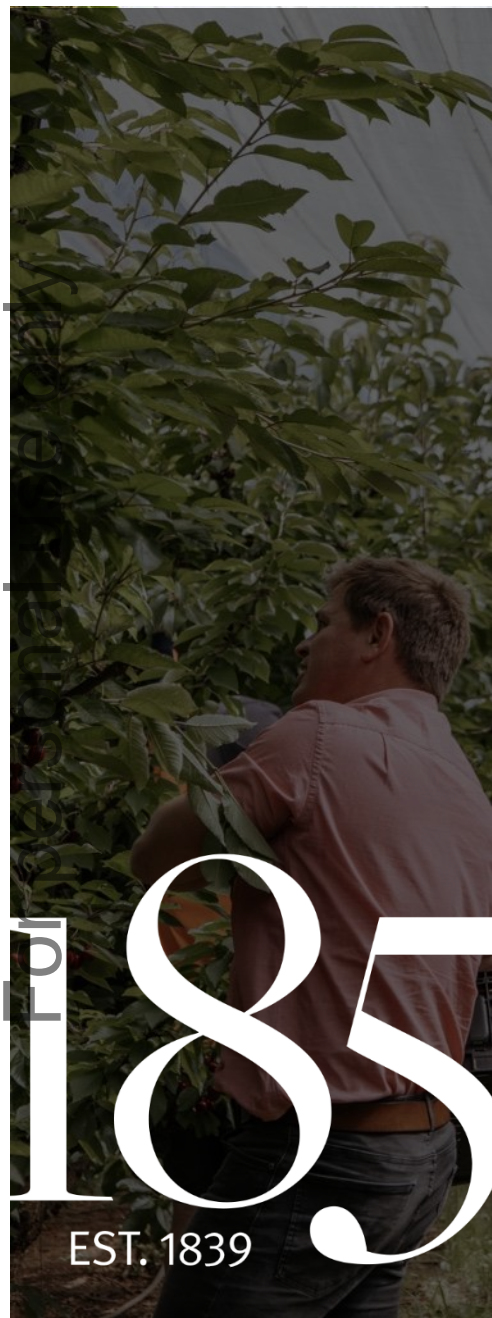
CAGR calculated on full year performance

FY24 Financial Summary

Resilient financial result despite below average seasonal and market conditions in the first quarter

Key metrics (\$m)	FY24	FY23		Var	Var %
Sales revenue	3,131.3	3,321.4	↓	(190.1)	(6%)
Gross margin	637.6	619.0	↑	18.6	3%
Gross margin %	20.4%	18.6%	↑	1.8%	n/a
Costs	509.6	448.2	↑	61.4	14%
Underlying EBIT	128.0	170.8	↓	(42.8)	(25%)
Underlying net profit after tax	64.0	103.7	↓	(39.7)	(38%)
Return on capital (%) ¹	11.3%	16.0%	↓	(4.7%)	n/a
Net debt (excl. AASB 16) ⁴	436.8	259.7	↑	177.1	68%
Leverage ratio (times) ^{2,4}	3.1	1.4	↑	1.7	121%
Operating cash flow	82.9	169.2	↓	(86.3)	51%
Cash conversion (%)	129.5%	163.1%	↓	(33.6%)	n/a
Underlying earnings per share (cents)	40.7	66.3	↓	(25.6)	(39%)
Dividend per share (cents) ³	36.0	46.0	↓	(10.0)	(22%)

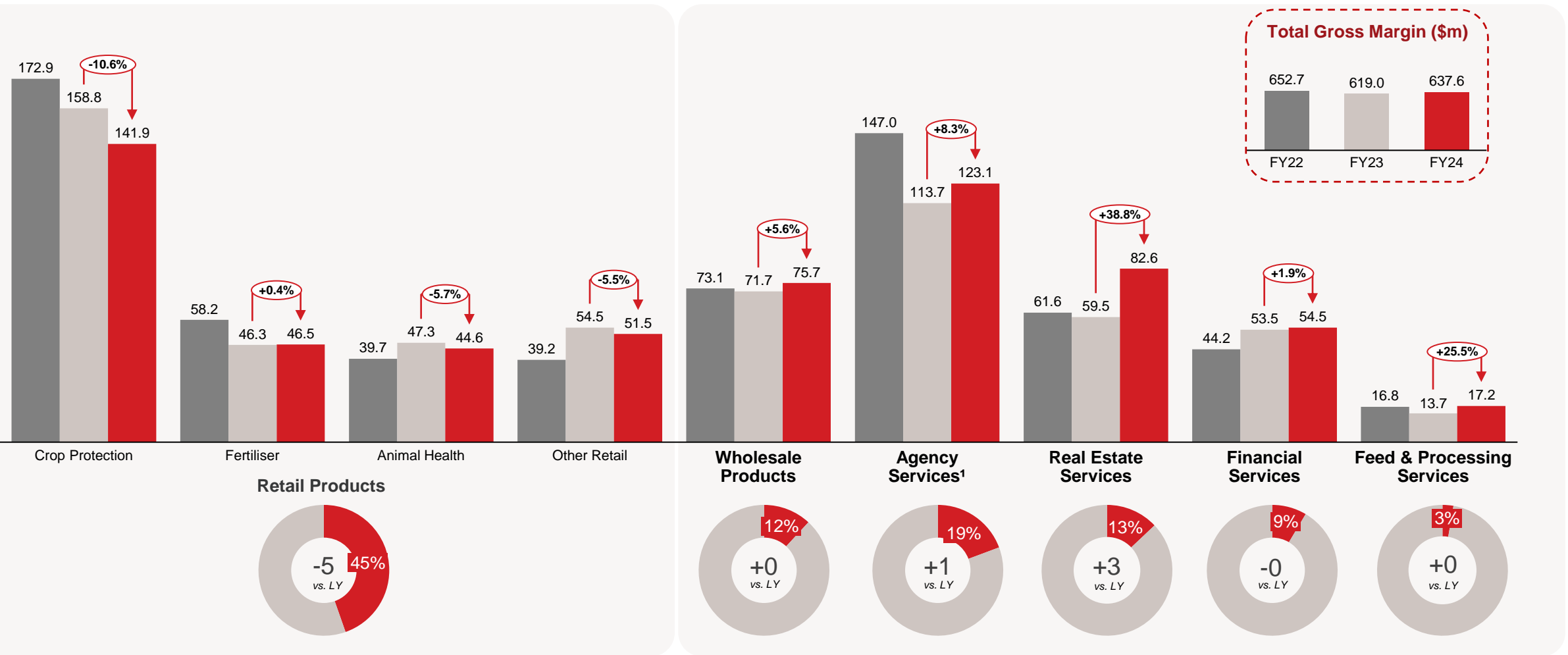
1. Return on capital = Rolling 12 months Underlying EBIT / (working capital + investments + property, plant and equipment + right of use assets + intangibles (excluding Elders brand name) – DTL on acquisitions – lease liabilities – provisions)
2. Target leverage of 1.5 - 2.0 times excludes AASB 16
3. Franked at 60% average for the full year up from 30% in the prior year
4. Balance date



Gross Margin Diversification

Increasing product diversification through targeted organic and acquisitive growth

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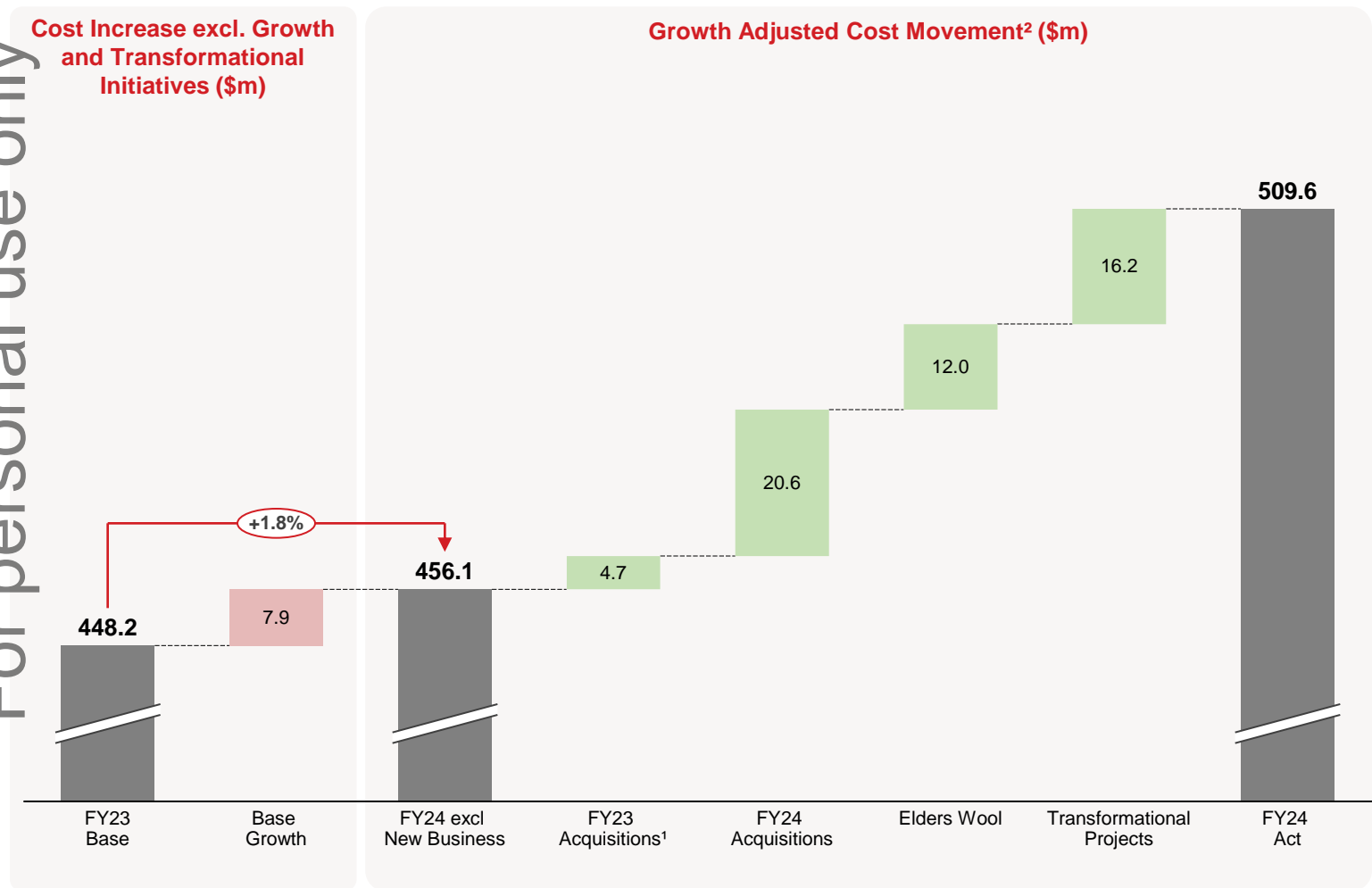


1. Agency split: Sheep – 34%; Cattle – 48%; Wool and Grain – 18%
 2. Pie charts represent percentage of total FY24 gross margin

Cost Growth Excluding New Business

Cost excluding growth and transformation increased 1.8%, well below CPI

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Commentary

Base Target:

- CPI increase was partially funded through cost saving initiatives

FY24:

- FY24 cost increase is shared between acquisitive SG&A and recurring transformational growth expenditure
- Cost growth below Australian CPI increase
- 263 additional FTE relating entirely to FY24 acquisitions
- 15 fewer FTE YoY, excluding growth from acquisitions

Acquisitions and Transformational Projects:

- **FY23: 9 Acquisitions**, the largest being Emms Mooney and Rockingham
- **FY24: 13 Acquisitions**, the largest being Charles Stewart and Knight Frank Tas
- **Transformational projects** including toll formulation facilities in WA and Systems Modernisation, inclusive of the additional depreciation and amortisation costs pertaining to these projects

Elders Wool

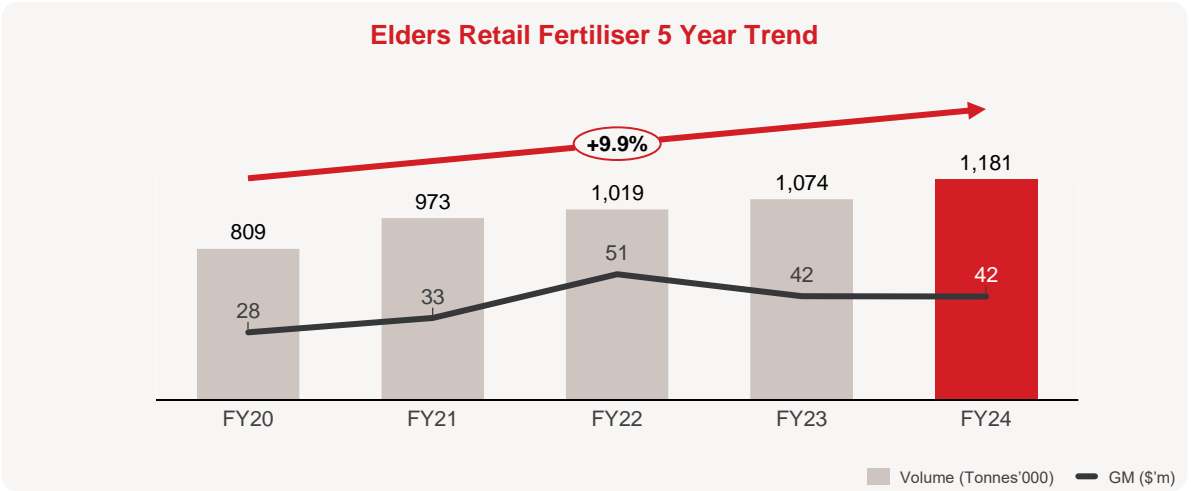
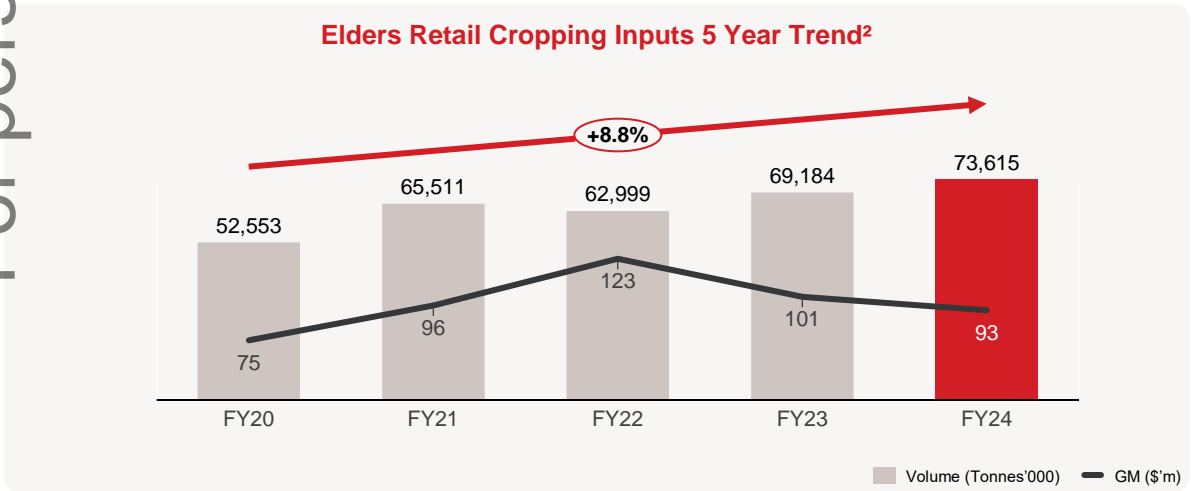
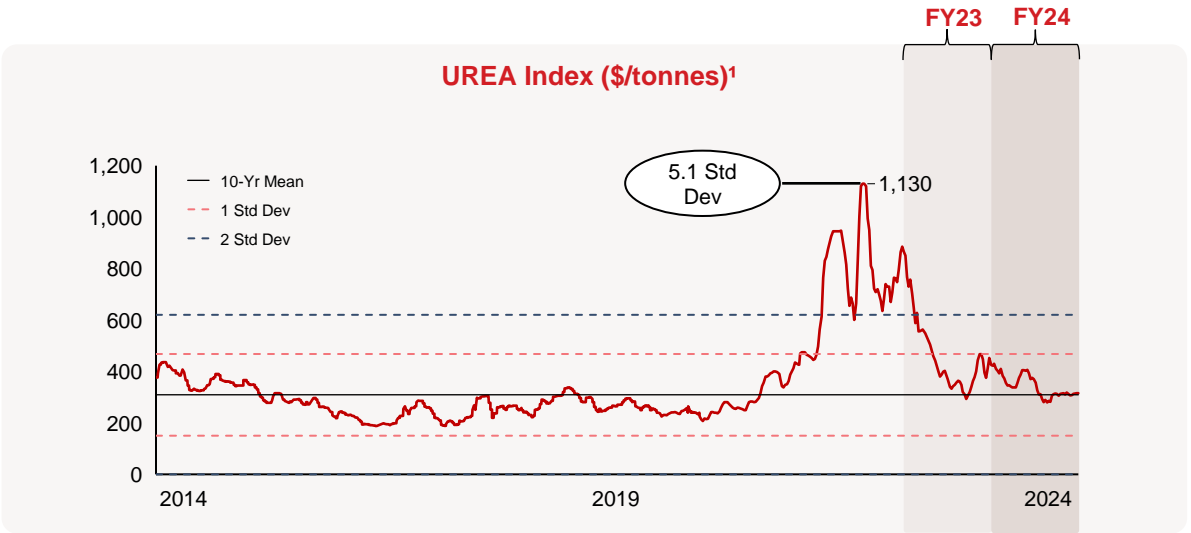
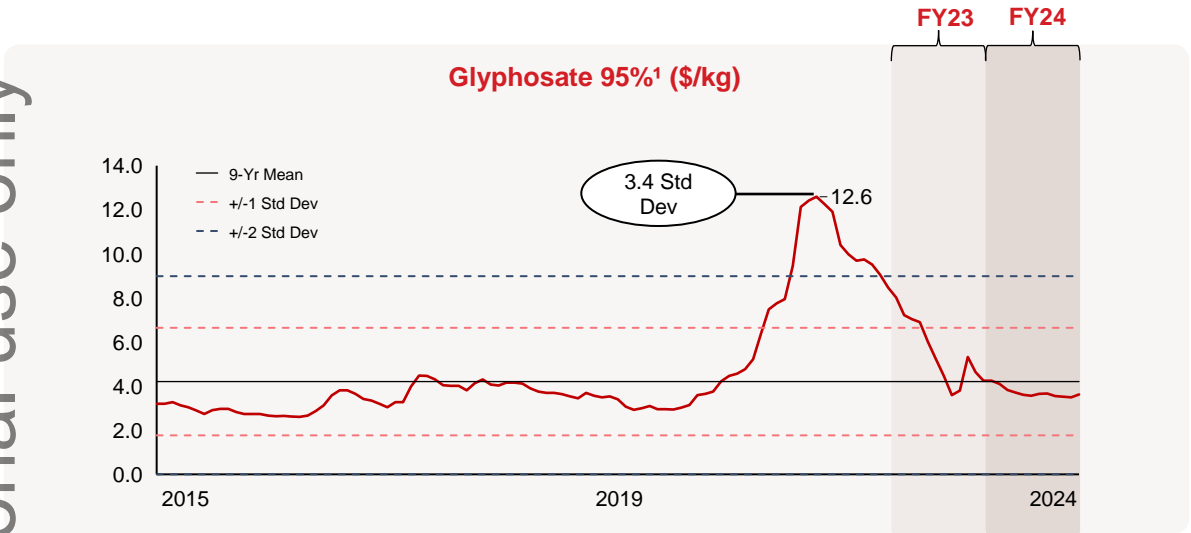
- FY24 cost increase reflects the change in operational cost methodology, away from its historical inclusion in gross margin as part of the AWH fees
- The in-house model has resulted in the comparative fees being recorded under costs with the benefit in gross margin.

1. FY23 acquisitions with less than 12 months ownership
 2. Includes the rolling twelve-month costs from acquisitions and transformational projects with less than 12 months of earnings and thus is not directly comparable to slide 36 which is a year-on-year comparison

Industry Backdrop – Rural Products

Sales negatively impacted against prior period by a full year of lower crop protection prices

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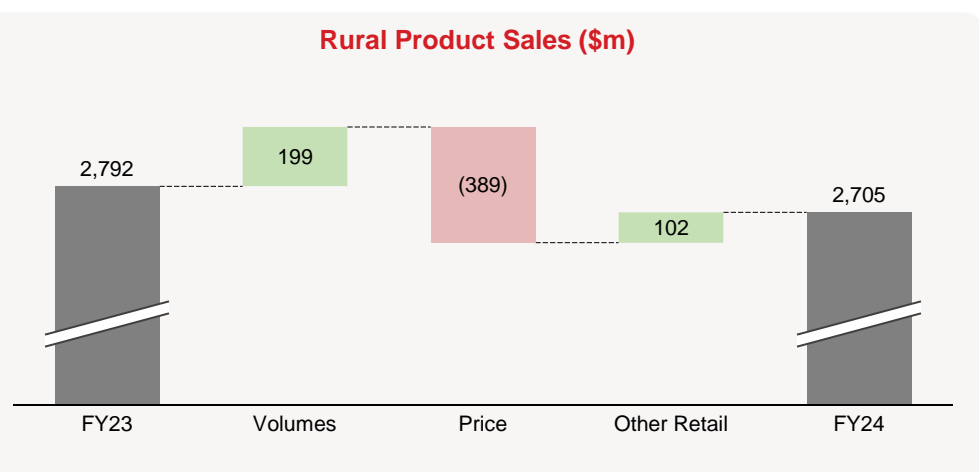
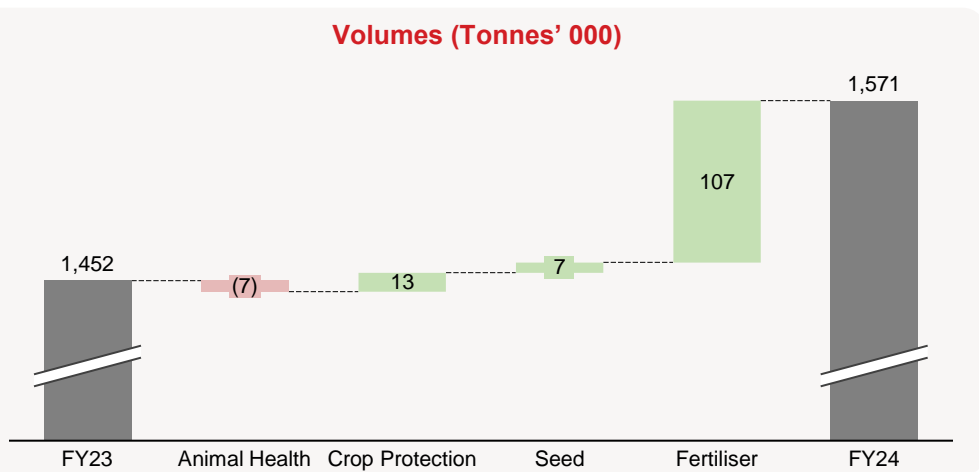


1. Reproduced courtesy of Refinitive
 2. Excludes the benefits of our backward integration
 3. <https://tradingeconomics.com/commodity/urea>

Continued Volume Growth Across Key Products

Continued sales volume growth unable to offset lower crop protection prices against prior period

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Animal Health

- Lower volume growth impacted by weaker livestock prices and soft client sentiment
- Rebounding NYCI¹ saw improved client sentiment in H2



Crop Protection

- Volumes impacted by cautious client sentiment following the El Niño announcement in H1
- Gross margin impacted by declining input prices



Seed

- Volume growth unable to fully offset margin pressure from lower prices and product mix



Fertiliser

- Volumes up 10%, unable to offset lower global input prices compared to the prior period

1. NYCI – National Young Cattle Indicator

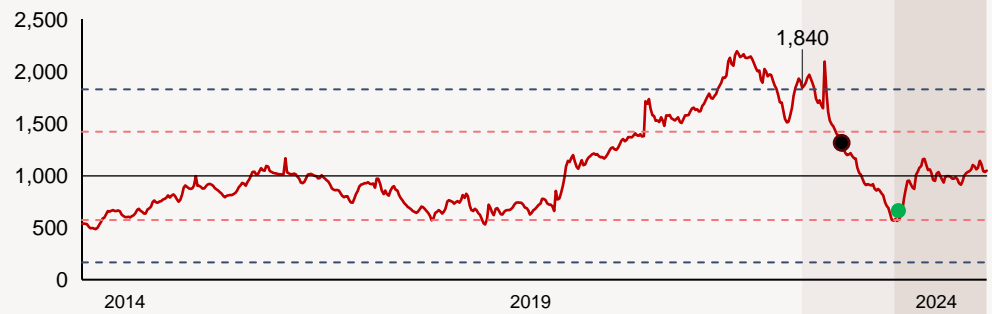
Industry Backdrop – Livestock

Sustained uplift in livestock markets with improvement seen in volumes traded and prices

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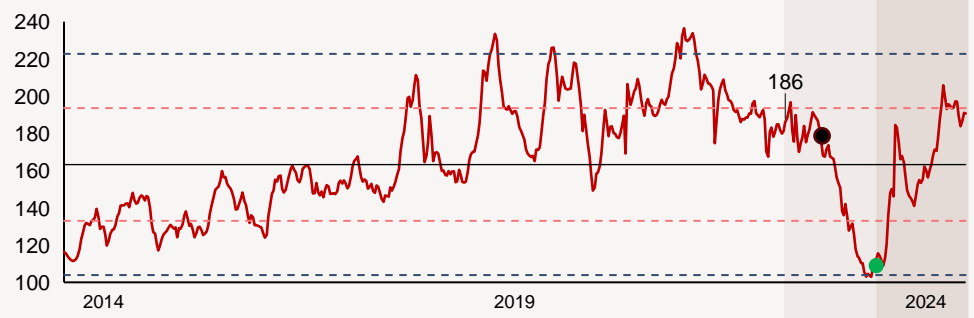
NYCI (\$/Head)

FY23 FY24



- FY24 index experienced a positive revision (+82%) since September 2023, before reverting to the 10-year mean
- The price revision was driven by:
 - Improved seasonal outlook for pasture growth, especially in Eastern Australia
 - Stable cattle volumes
- Animal Health sales uplift was experienced following the improvement in cattle prices

Trade Lamb (\$/Head)



- Significant Trade Lamb price revision saw a 85% improvement since September 2023, surpassing the 10-year mean
- Price recovery from 10-year low driven by:
 - Anticipated tightening of volumes following high stock turn-off in FY23
 - Improvement in farmer sentiment and rainfall in key regions
 - Strong global demand forecast to support livestock markets in FY25
- Acquisition of Charles Stewart supported volume improvement

— 10-Yr Mean - - 1 Std Dev - - 2 Std Dev ● El Niño "Watch" issued ● El Niño "Event" issued

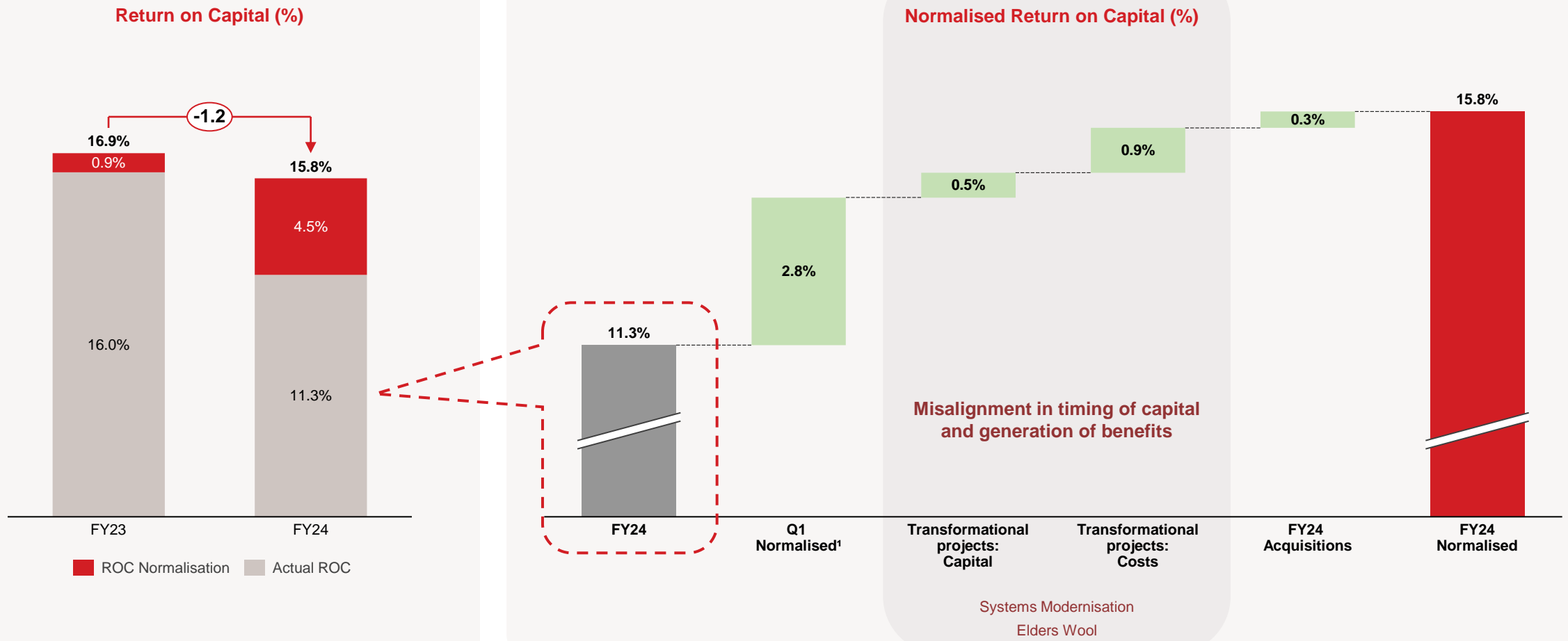
1. NYCI – National Young Cattle Indicator
 Source: Reproduced courtesy of Meat and Livestock Australia Limited - www.mla.com.au

2. <http://www.bom.gov.au/climate/enso/outlook/archive/20231219.archive.shtml>

Return on Capital

Materially impacted by first quarter and the cumulative impact of transformation projects ahead of benefits realisation

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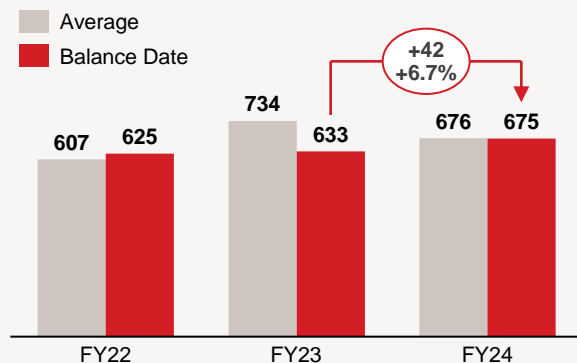
1. The historical 4-year mean Q1 EBIT is \$32m (based on management accounts and unaudited)

Working Capital

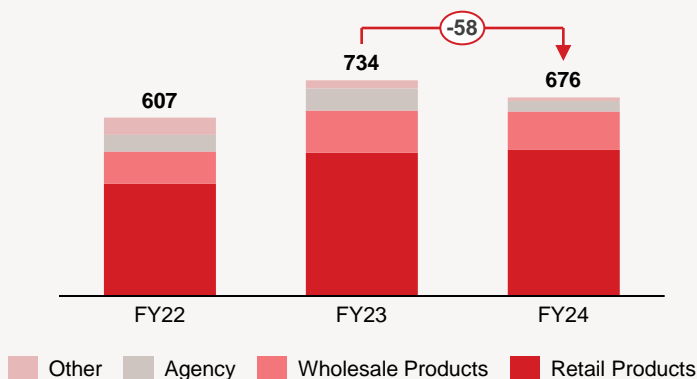
Significant progress on inventory reduction, offset by higher debtors at balance date

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Working Capital (\$m)



Average Working Capital by Product (\$m)



1. Balance Date
2. Including Livestock at Balance Date

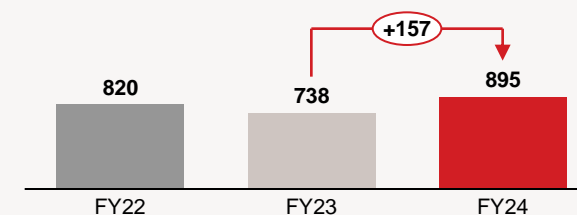
Disciplined Capital Management

- FY24 average working capital benefitted from disciplined capital management
- Balance date working capital supported by a reduction in inventory offset by unfavourable timing of trade receivables due to a late winter crop start in WA and SA

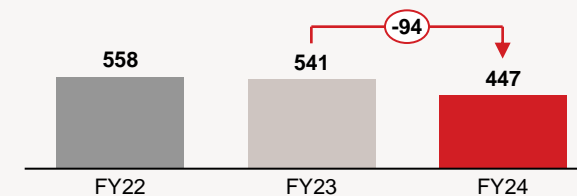
Capital management remains a focus into FY25, with benefits expected from:

- less volatile pricing on key actives within inventory
- improved collections on receivables ordinarily expected in FY24
- enhanced procurement planning and demand initiatives

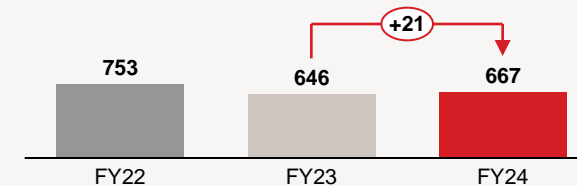
Trade and Other Receivables¹ (\$m)



Inventory² (\$m)



Trade and Other Payables (\$m)

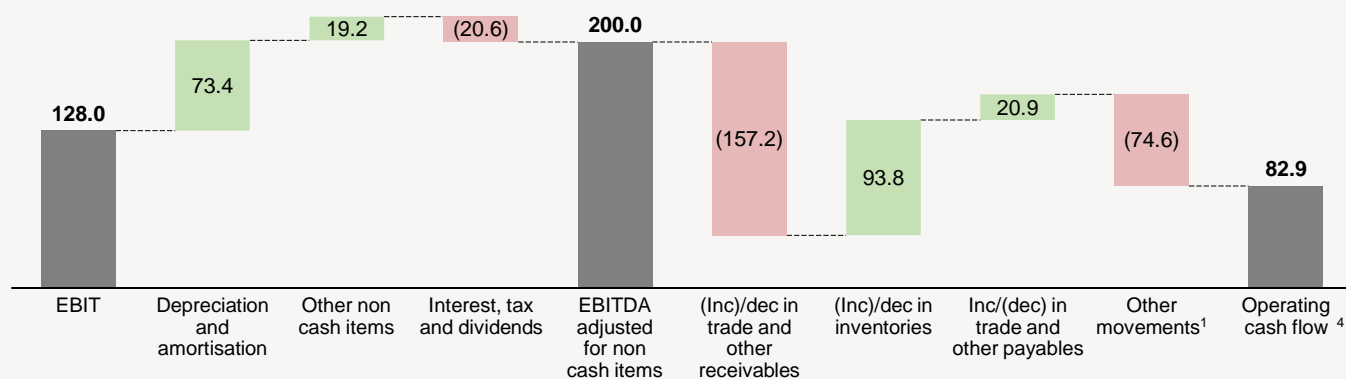


Cash Flow

Cash conversion evident of focus on inventory management, debtors elevated by later season in WA and SA

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Operating Cash Flow (\$m)

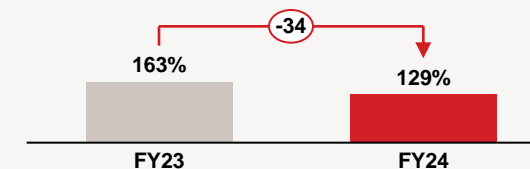


Key metrics (\$m)	FY24	FY23	Var
Underlying EBITDA adjusted for non cash items	200.0	239.1	(16%)
Movements in assets and liabilities	(117.1)	(69.9)	(68%)
Cash from operating activities	82.9	169.2	(51%)
Investing cash flows	(150.9)	(132.1)	(14%)
Financing cash flows	86.7	(33.5)	(359%)
Net cash flow	18.7	3.6	(419%)

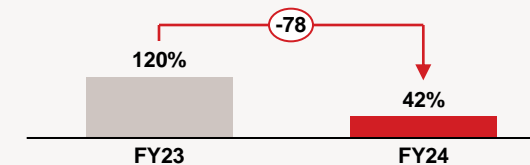
1. Other movements includes provisions and balances acquired via acquisitions
 2. Cash conversion is calculated on a YTD basis, operating cash flow / U'NPAT
 3. Working capital to sales is calculated on a rolling 12-month basis

4. Excludes the impact of AASB 16 cash lease expenses of \$55.8m
 5. Operating cash flow includes the Rural Bank termination payment

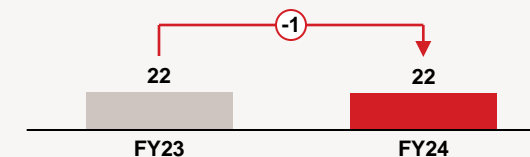
Cash Conversion (%)²



AASB 16 Adjusted Cash Conversion (%)



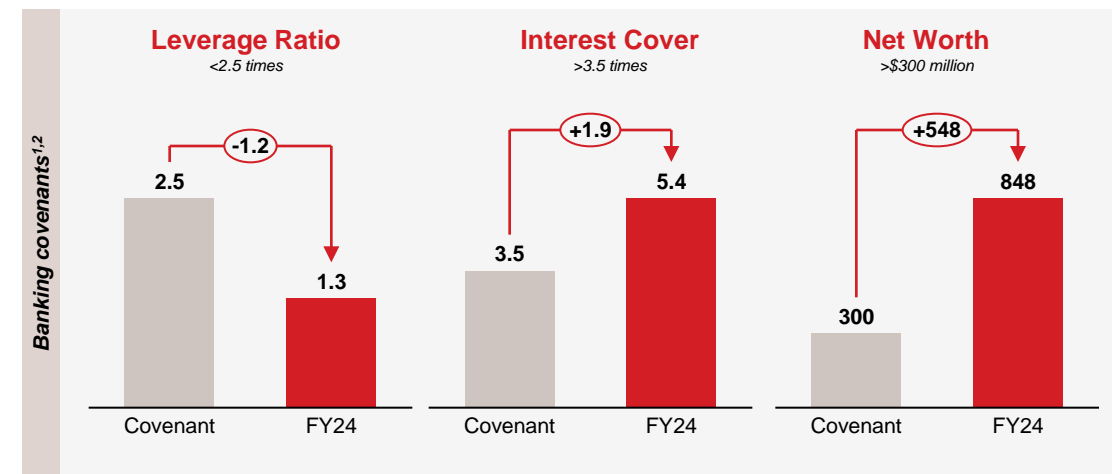
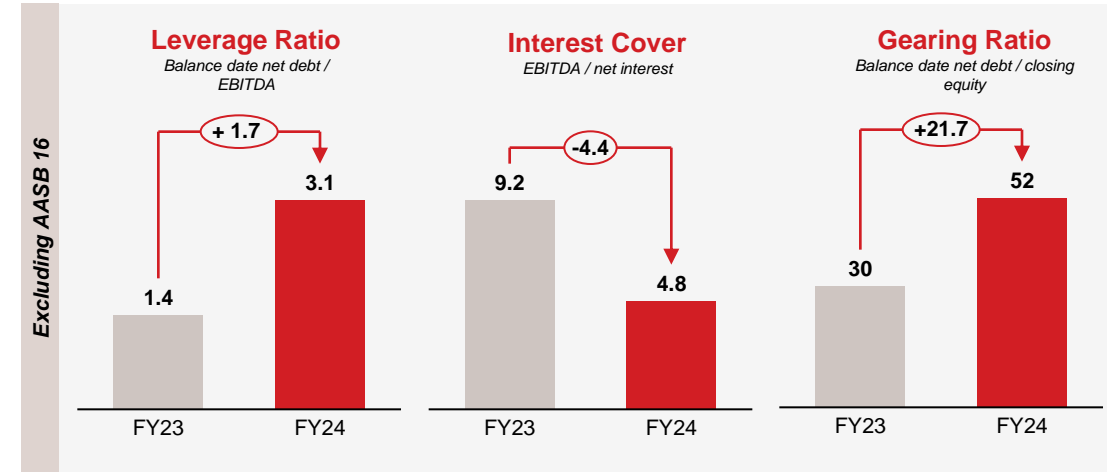
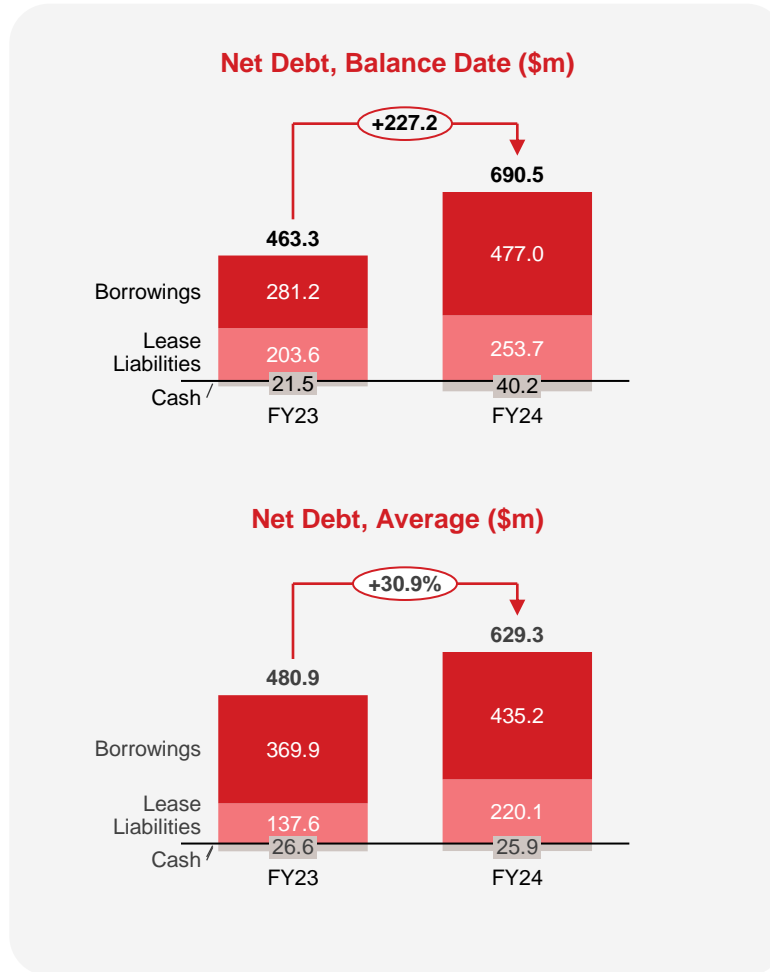
Working Capital to Sales (%)³





Net Debt and Financial Ratios

Banking covenants maintain headroom with improvement forecast from a normalised first quarter

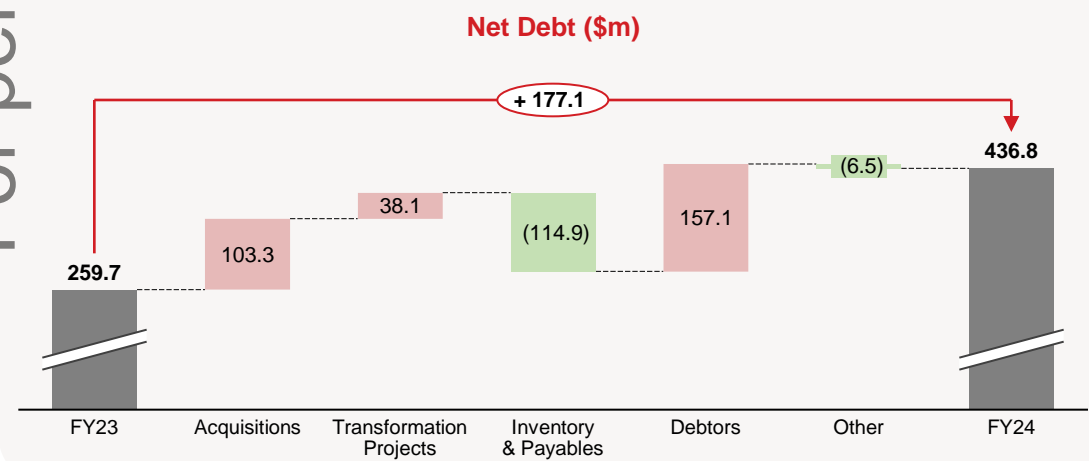
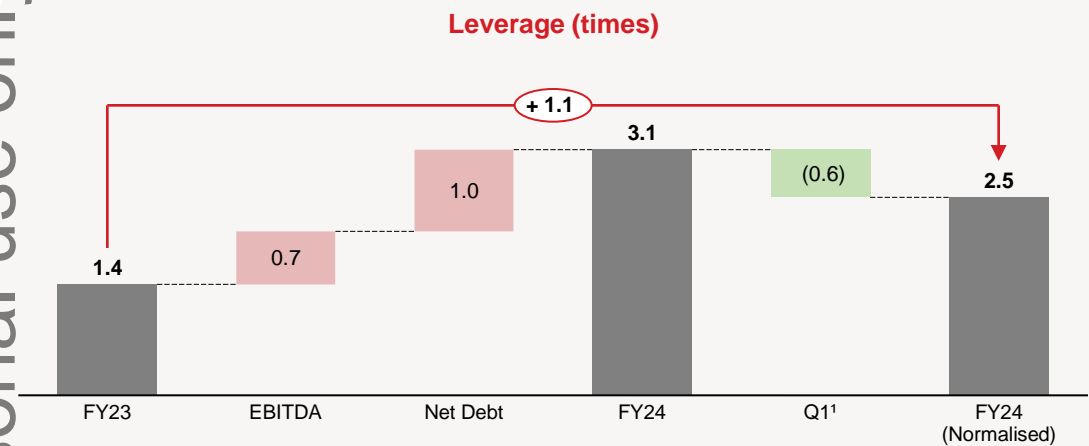


1. Calculated pursuant to definitions in group syndicated facilities which are subject to change over time. The current covenant calculations exclude all accounting adjustments required by AASB 16 Leases and the leverage covenant excludes the debtor securitisation balance from net debt
 2. Undrawn facilities at 30 September were \$90.9 million out of total available facilities of \$655 million

Target Leverage

Pathway to target in FY25 Q1 (1.5 – 2.0 times), to be driven by normalised first quarter and net debt reduction

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Leverage Commentary³

- Leverage 2.5 times, normalised for Q1¹
- Pathway back to target in FY25 H1 enabled by
 - Normalised Q1
 - Lower acquisition (bolt-on) spend
 - Lower transformational CAPEX spend
 - Collection of 2024 winter crop debtors (\$127.2m deferred terms due in FY25 Q1)

Net Debt Commentary

- Net debt elevated despite significant improvement in net paid stock²
- Growth contributor to Net Debt increase includes:
 - 13 acquisitions completed in FY24, annualised EBIT of \$14.2m
 - Transformational CAPEX (Systems Modernisation \$17.9m, Elders Wool \$8.3m, Killara \$11.9m)
- Working capital contribution to Net Debt includes:
 - Debtors, due to a late 2024 winter crop (SA, WA) start, increased demand for seasonal finance and an increase in arrears
 - Partially offset by improvements in net paid stock which is considered sustainable into FY25

1. The historical 4-year mean Q1 EBIT is \$32m (based on management accounts and unaudited)
 2. Net paid stock = Inventory - Payables

3. Subject to a normal 1Q FY25 and average seasonal conditions

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Strategy and Outlook

Presented by Mark Allison (Managing Director and CEO)



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FY24-26 EIGHT POINT PLAN

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OUR AMBITION

Compelling shareholder returns

5-10% EBIT and EPS growth through the cycles at minimum 15% ROC

Industry leading sustainability outcomes

across health and safety, community, environment and governance

Most trusted Agribusiness brand

in rural and regional Australia

OUR BUSINESS UNITS



RURAL PRODUCTS



AGENCY SERVICES



REAL ESTATE SERVICES



FINANCIAL SERVICES



TECHNICAL SERVICES



FEED AND PROCESSING

OUR STRATEGIC PRIORITIES

RUN

Optimise the existing business by:

- 1 Deepening customer relationships to drive loyalty and growth
- 2 Investing in our people to ensure we have the right people in the right places who are set up for success
- 3 Maintaining unflinching financial discipline and commitment to cost and capital efficiency

TRANSFORM

Future-proof our business by:

- 4 Streamlining our supply chain to fully optimise all parts of our integrated value chain
- 5 Modernising our systems with leading technology solutions to enhance customer experience, drive efficiencies and support growth

INNOVATE & GROW

Expand and innovate our portfolio by:

- 6 Growing our portfolio of products, services, geographic footprint and channels
- 7 Enhancing margins through value chain expansion and integration
- 8 Innovating to create sustainable solutions for our customers and communities

OUR VALUES



CUSTOMER FOCUSED



INNOVATION



TEAM WORK



INTEGRITY



ACCOUNTABILITY



Our Strategic Priorities: Transform

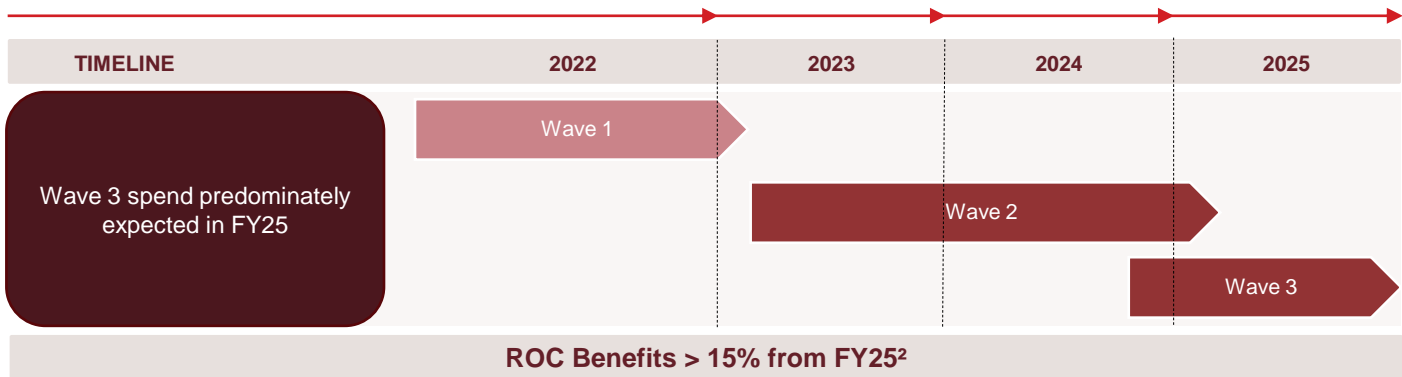
Wave 2 go-live to occur November 2024

SYSTEMS MODERNISATION¹

Modernising our platforms to deliver more efficient business processes

Wave 2	FY23	FY24	Total Budget
CAPEX	2.3	17.4	24 – 27
OPEX - non underlying	-	5.3	16 – 18
Total	2.3	22.7	40 - 45

Wave 3	FY23	FY24	Total Budget
CAPEX	-	0.5	7 – 9
OPEX - non underlying	-	-	3 – 4
Total	-	0.5	10 – 13



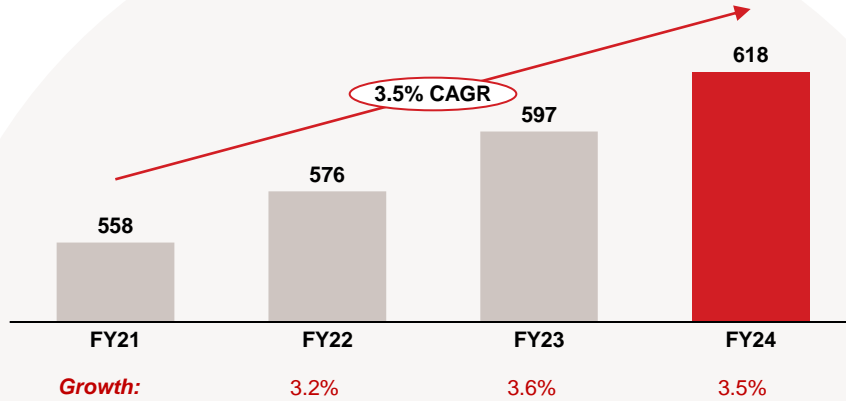
1. Does not include underlying OPEX which predominantly relates to ongoing license fees which are not wave specific
 2. First full year of benefits in FY26

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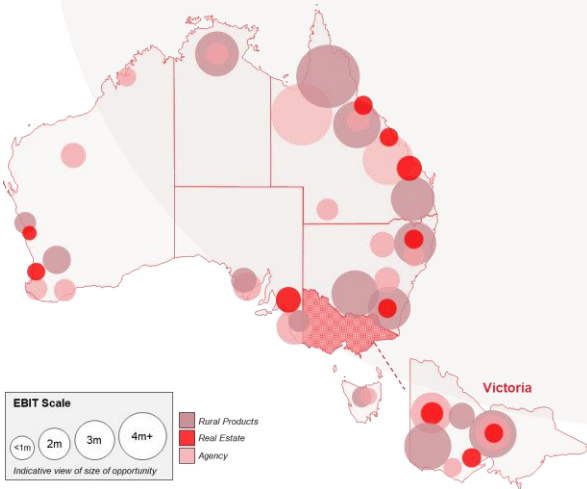
Our Strategic Priorities: Innovate & Grow

Strategically growing our footprint

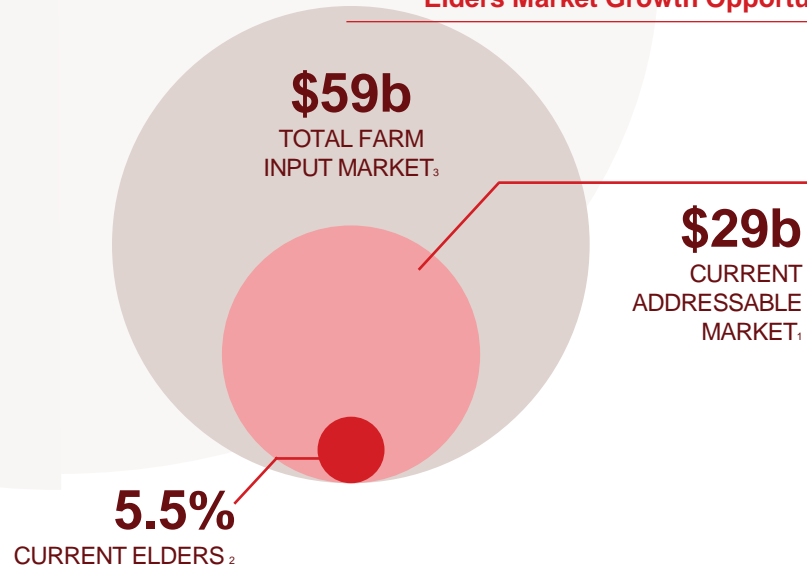
Elders' Points of Presence⁴



Strategic Geographic Locations



Elders Market Growth Opportunity



GROWTH ENABLERS

Focus areas for future growth in line with the eight-point plan foundations

- Large acquisitions
- Organic growth
- Bolt-on acquisitions
- Systems Modernisation Benefits
- Supply chain optimisation
- Backward integration
- Financial Services expansion

1. Current Addressable Market is an internally calculated amount based on product
2. Internal measure – Elders estimates it has a 5.5% market share of the "Total Australian farm costs market" of \$59b
3. Source: ABARES, Agricultural Commodities – Farm Costs and Returns Australia, September 2024
4. Australian Points of Presence

Market Outlook

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RURAL PRODUCTS

- Margin stability with farm input costs for fertilisers and crop protection products expected to remain stable
- Average seasonal outlook expected to see improving sentiment from growers and potential increase in crop plantings
- Continued benefits from the backward integration strategy



AGENCY SERVICES

- Cattle and sheep volumes are expected to stabilise with potential pressure underpinned by improved pasture availability
- Livestock prices are forecast to remain strong, in line with the improved seasonal outlook
- Earn-per-bale to continue benefiting from increased throughput at the in-house wool handling facilities



REAL ESTATE

- Margin relief for regional residential properties expected as interest rates continue to stabilise, with favourable global interest rate decisions
- Broadacre turnover is expected to benefit from the recent uplift in livestock prices
- Earnings to benefit from recent acquisitions, notably Knight Frank Tasmania



FINANCIAL SERVICES

- Major bank transition to broker models servicing clients, and potential interest rate decreases, providing opportunities for our brokerage business
- Industry wide insurance premium growth to boost Elders earnings
- Recovery in livestock segment to provide upside to financial services livestock related products



FEED AND PROCESSING SERVICES

- High residency and ongoing strong export demand and cattle prices are expected to support margins
- Ongoing demand for grass-fed operations to continue to provide margin uplift in FY25
- Investment in state-of-the-art feed mill will improve on feed performance and increase efficiency from late 2024



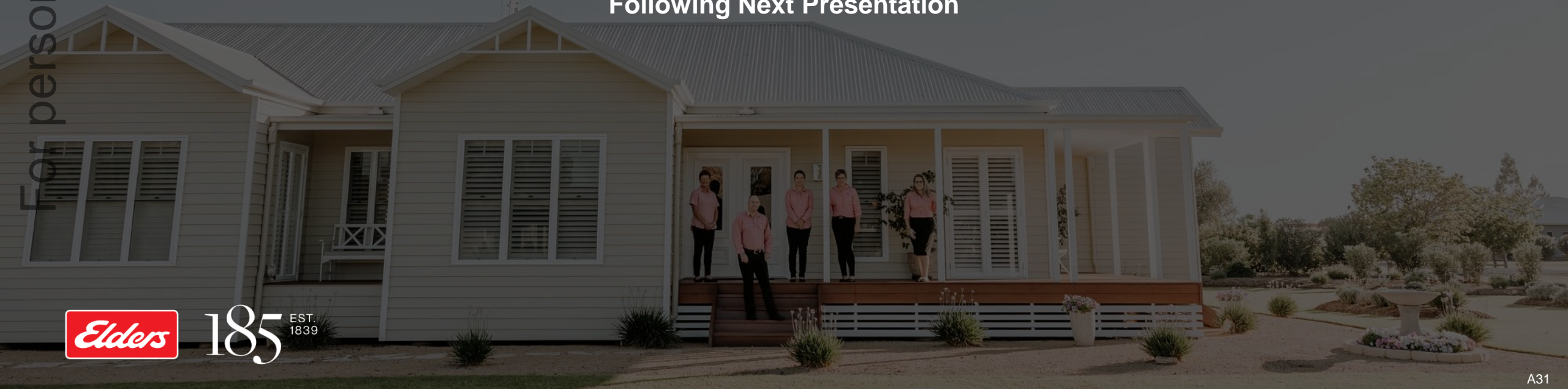
COSTS AND CAPITAL

- Continued traction in cost and capital efficiency, building on the FY24 momentum
- Ongoing commitment to mitigate inflationary pressures through cost savings
- Ongoing investment in acquisition growth, as well as transformational initiatives in line with the Eight Point Plan strategy

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Questions

Following Next Presentation



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Appendix



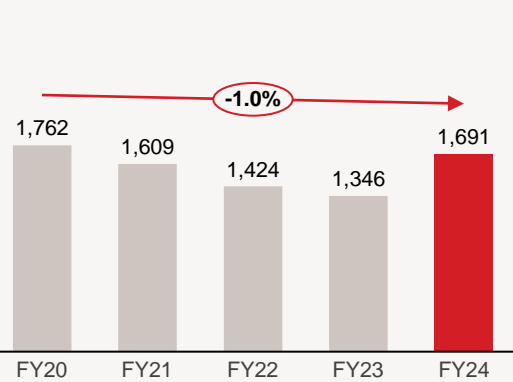
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Key Performance Indicator Trends

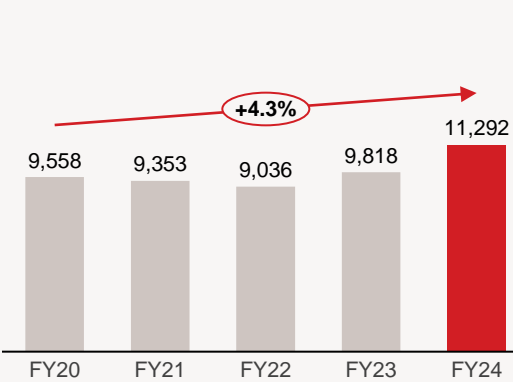
Providing earnings resilience against market volatility through the Elders diversified business model

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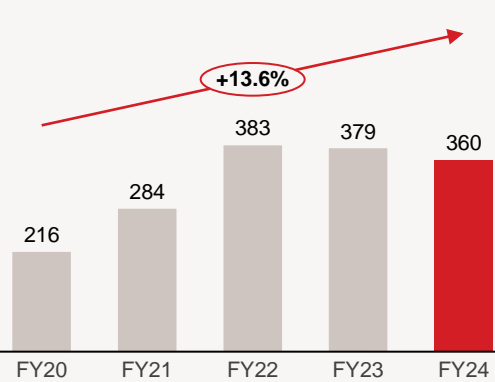
Agency Services: Cattle Volume ('000)



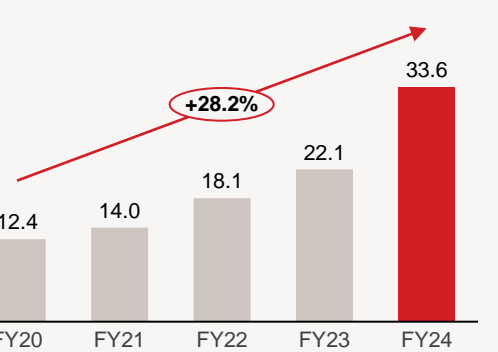
Agency Services: Sheep Volume ('000)



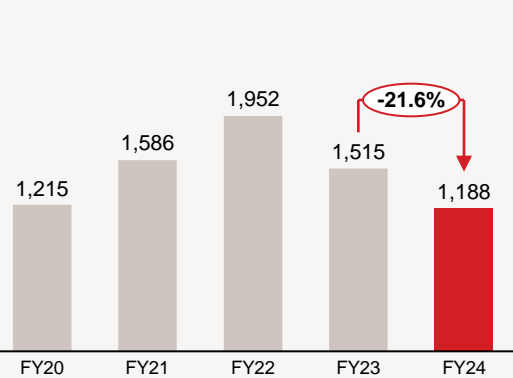
Rural Products: Gross Margin (\$m)



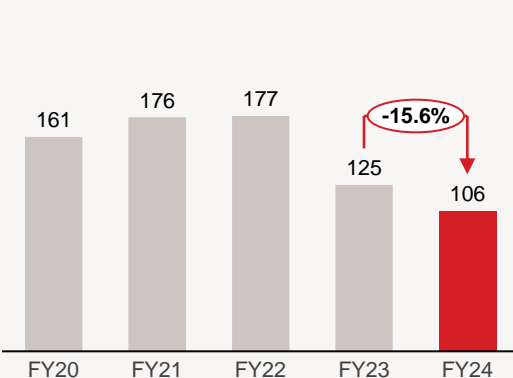
Real Estate Services: Property Management Earn (\$m)



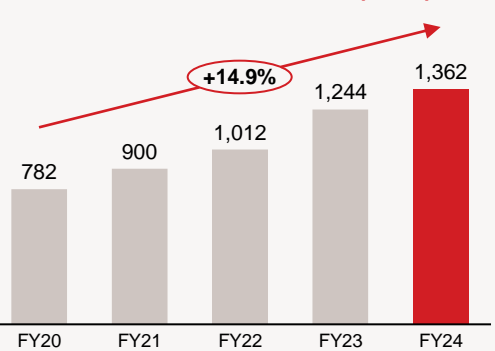
Agency Services: Cattle Price (\$)¹



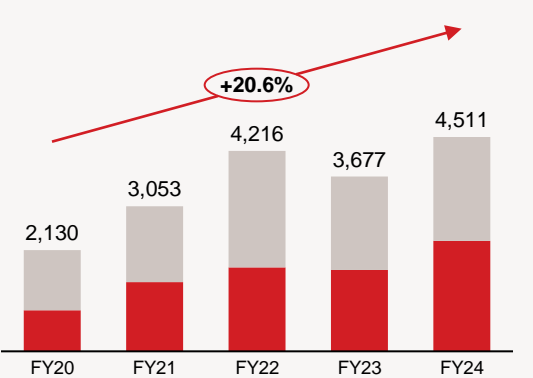
Agency Services: Sheep Price (\$)¹



Financial Services: Insurance Gross Written Premiums (\$000)²



Real Estate Services: Turnover (\$m)



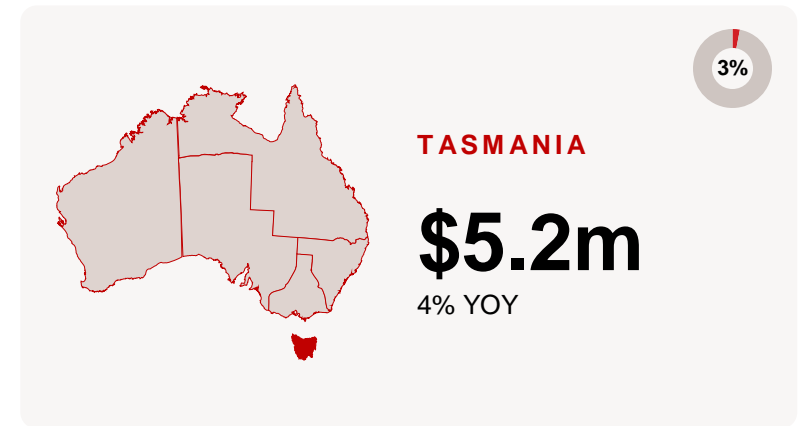
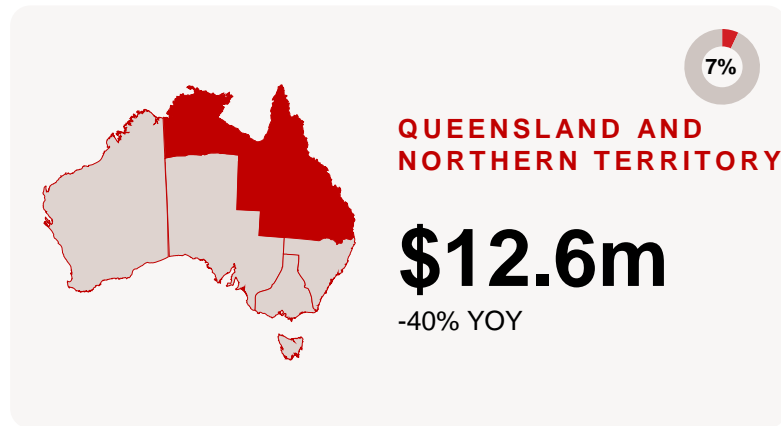
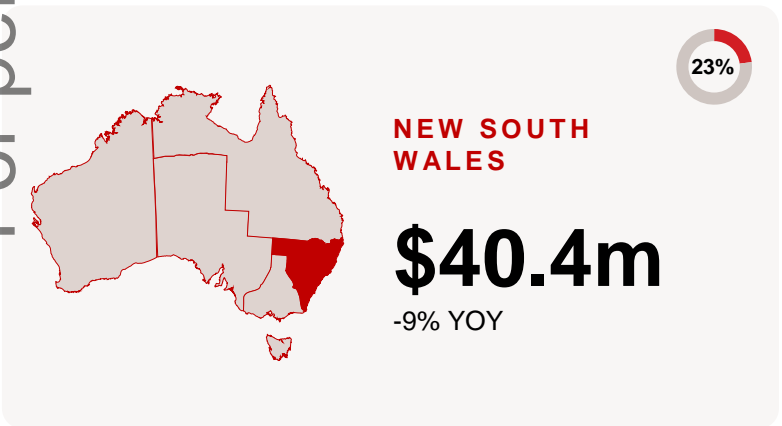
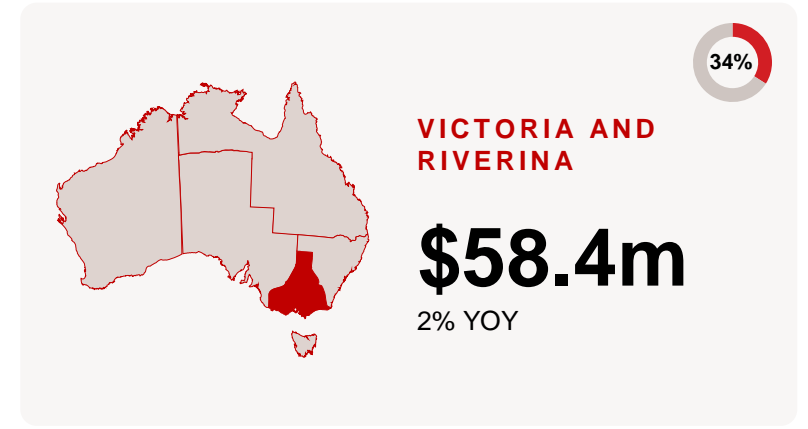
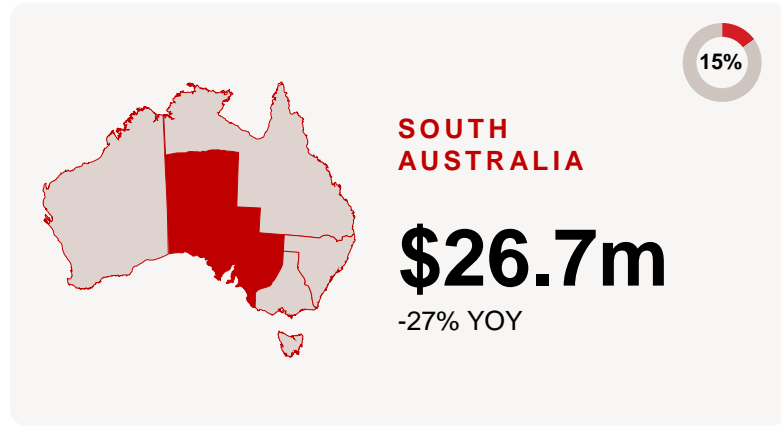
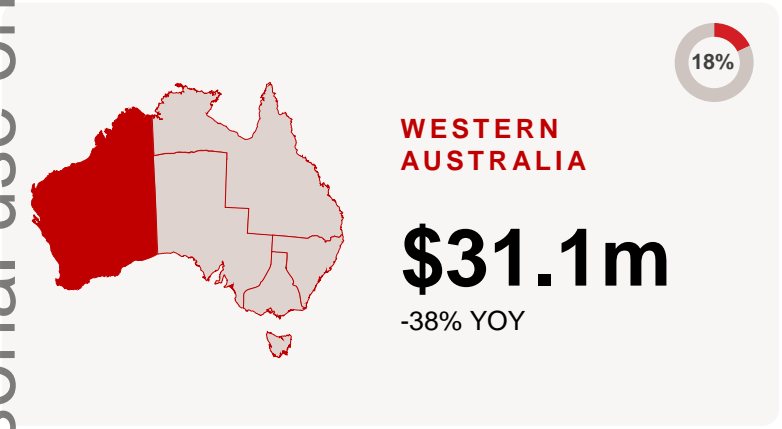
■ Farmland ■ Residential

1. Cattle and sheep prices are internal averages, not externally verifiable, and reflect the volume weighted average price for the FY
 2. Principal positions are held by Elders Insurance Underwriting Agency (Elders 20% equity investment)

Geographical Diversification

Resilient result supported by geographic diversification

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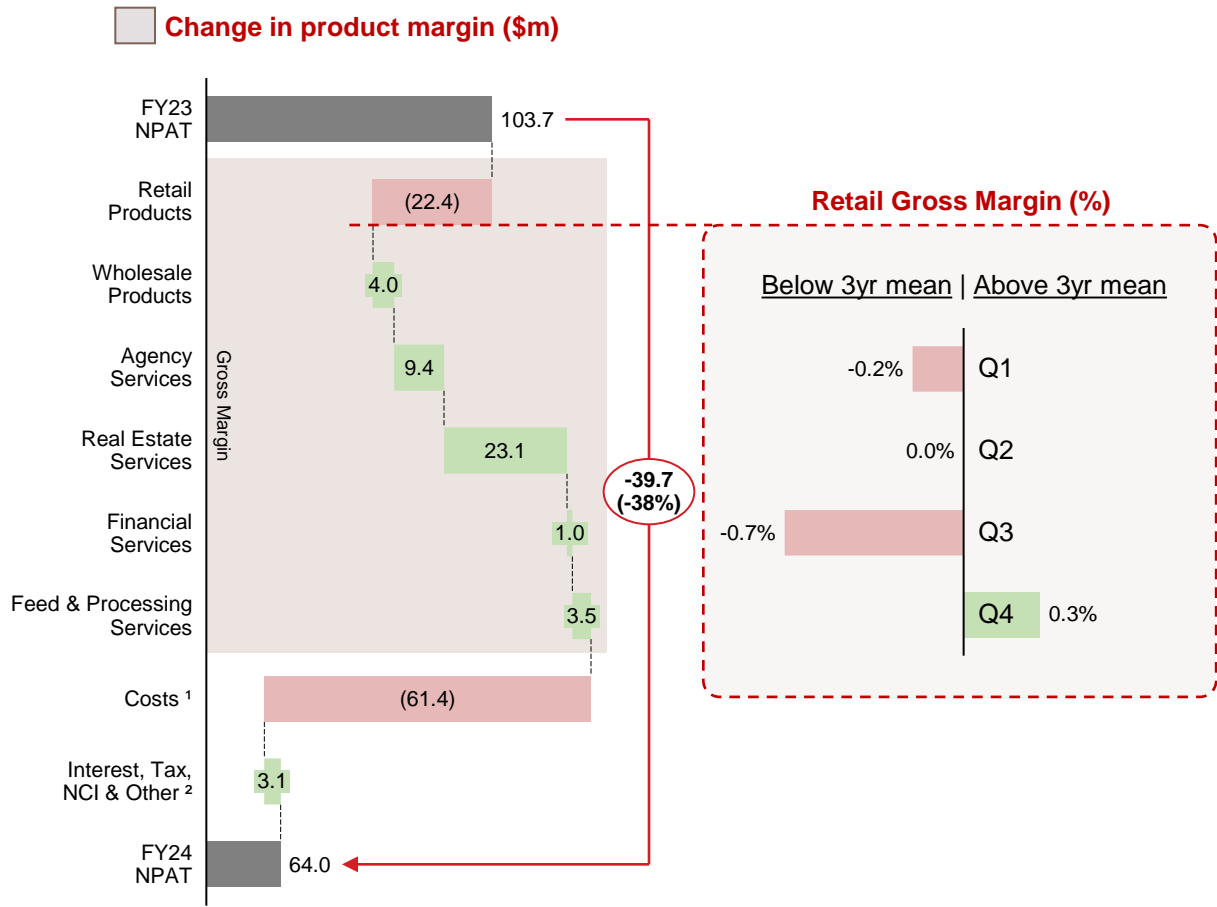


Excludes Wholesale Products and Corporate Overheads
Values refer to Underlying EBIT (\$m)

Product Performance

Retail gross margin improvement experienced in fourth quarter following historically low input prices

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Retail Products

- Animal health sales negatively impacted from low livestock prices in H1
- Continued volume growth, offset by softening input prices compared to the prior period
- Low crop protection GM% in Q3 with significant improvement in Q4



Real Estate Services

- Increasing rent roll earnings, offering stable, annuity earnings
- Partial benefits of the Knight Frank Tasmania acquisition from May 2024



Agency Services

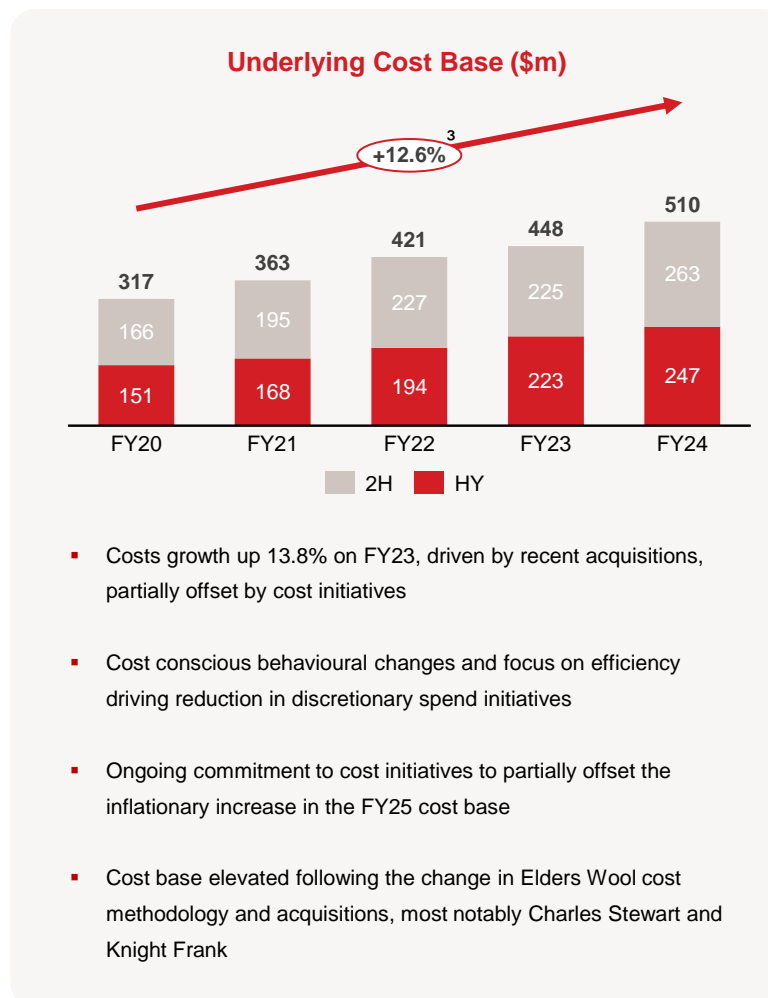
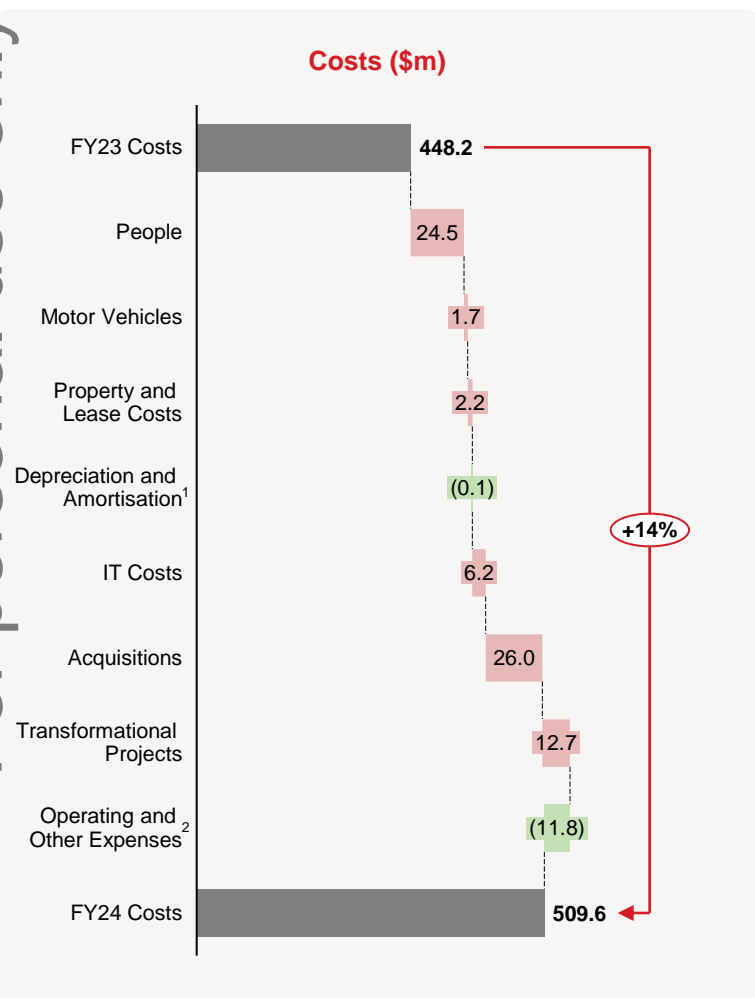
- Recovery in livestock prices after Q1
- Higher volumes traded bolstered by recent acquisitions

1. Cost drivers detailed on slide 36
 2. NCI – Non controlling interests

Cost Drivers

Investment in future growth driving cost uplift

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FY24 vs FY23

People:

- FTE decreased by 15, excluding acquisitions and new business
- Wage growth in line with CPI

Motor Vehicles:

- Vehicles reduced by 55, excluding acquisitions and Elders Wool
- Increased lease costs impacted by higher interest rates
- Partially offset by lower maintenance costs and fewer vehicles

Acquisitions:

- 13 acquisitions in FY24
- 250 additional FTE
- 50 additional motor vehicles

Transformational Projects:

- Systems Modernisation +\$2.6m, including +3 FTE
- Elders Wool +\$12.0m, including +25 FTE

Operating and Other Expenses:

- Continued focus on discretionary spend

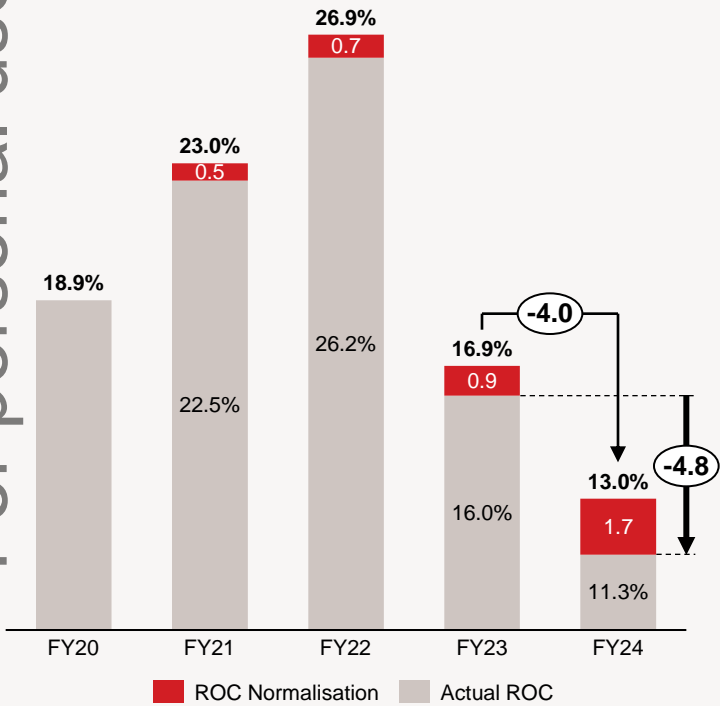
1. Depreciation on property, plant and equipment only. Depreciation on ROU is included within Property and Lease Costs
 2. Includes Consulting, Advertising, Insurance, Legal Costs etc.
 3. CAGR calculated on the FY results

Transformation Impact on ROC

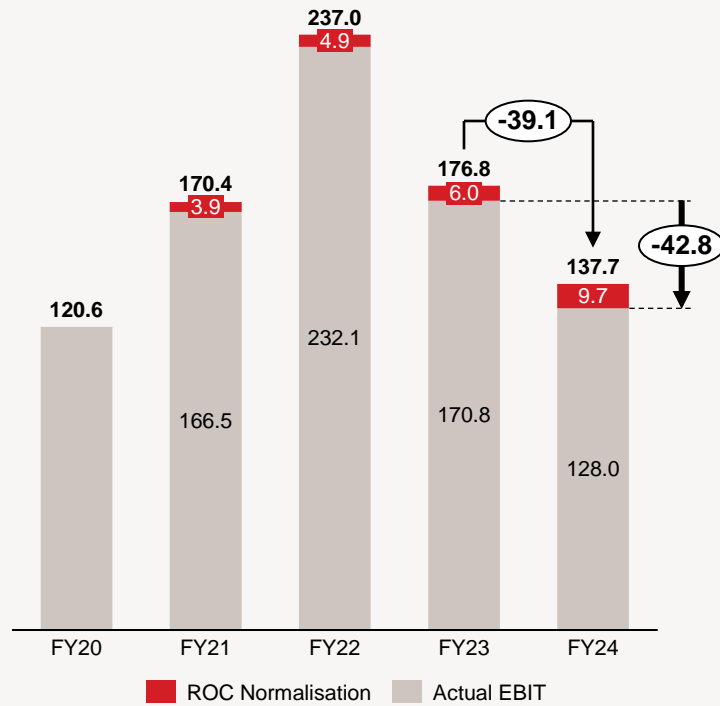
Cumulative impact of transformation projects ahead of benefits realisation

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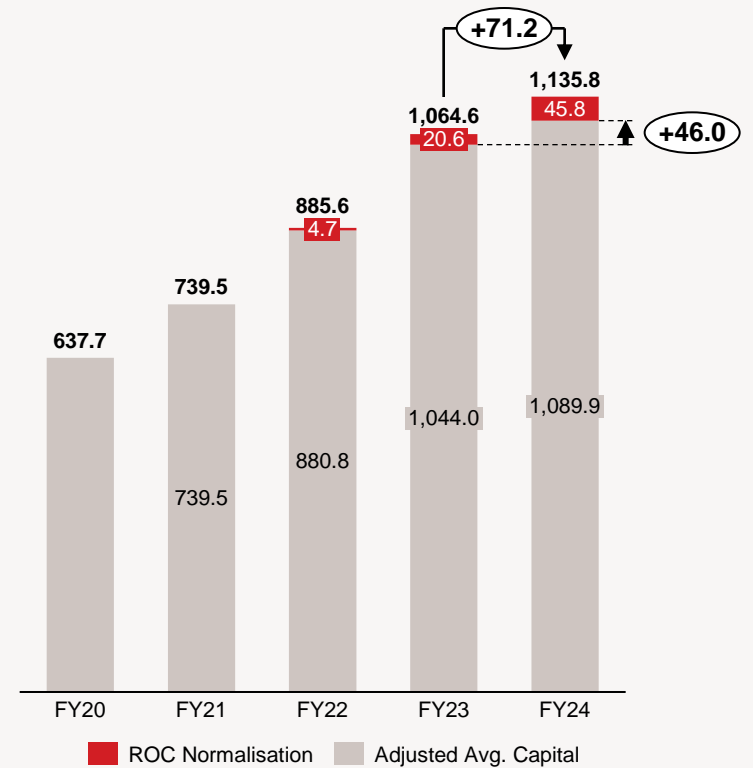
Return on Capital (%)



EBIT (\$m)



Average Capital (\$m)



1. ROC Normalisation relates to the capital and cost (depreciation and amortisation) impact from transformational projects

Business Model

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Product and service offerings	Rural Products	Rural Products	Livestock	Broadacre	Loan Brokerage	Killara Feedlot	Fee for Service (246 agronomists)
	Fertiliser	Pet Supplies	Wool	Residential	Livestock and Wool Finance		AuctionsPlus (50%)
	Agcrest (33%)		Grain	Property Management	LIT Delivery Warranty		Elders Weather
				Franchise	Elders Insurance (20%)		Clear Grain Exchange (30%)
					Prepayment Program		
Key metrics	\$2.2b retail sales	\$0.4b wholesale sales	11.3m head sheep	\$2.2b broadacre sales	41 Contractor brokers 13 Employed brokers	56k Killara Feedlot cattle head exited	AuctionsPlus 112k head cattle 614k head sheep
	260 stores	348 member stores	1.7m head cattle	\$2.3b residential sales	\$72.3m Livestock finance \$81.3m Third party livestock placements		7.3m Elders Weather unique visitors
	512 APVMA registrations		333k wool bales	19.1k properties under management	\$1.4b insurance gross written premiums ²		0.4m CGX tonnes influenced
	1.2m tonnes fertiliser				52.3% LIT penetration rate		
					\$82.0m Prepayment Program		
Gross margin	\$284.5m	\$75.7m	\$123.1m	\$82.6m	\$54.5m	\$17.2m	Included in products
Working capital	\$502.2m	\$110.6m	\$63.2m	(\$18.4m)	(\$0.3m)	\$51.9m	Other – (\$32.9m)

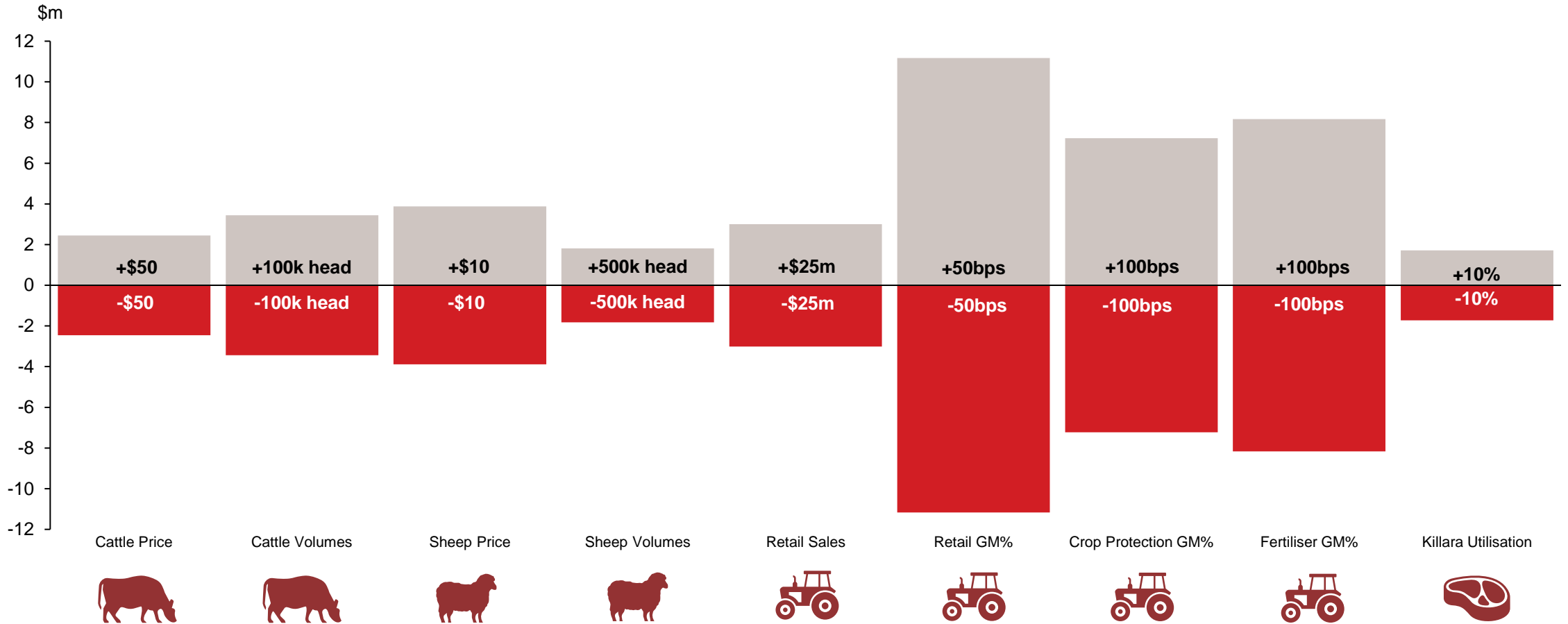
Statistics and financial information based on FY24 full year

1. Relates to Elders Insurance gross written premiums

Gross Margin Sensitivity

Geographic and product diversification mitigates the impact of individual market volatility

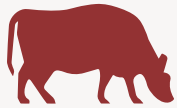
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ABARES September Market Outlook

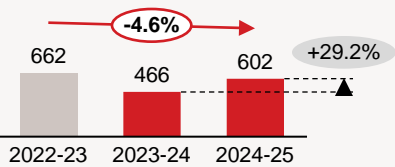
Gross value of production to rise 4% to \$86.2 billion, driven by higher livestock production and value, and winter crop production on improved seasonal conditions

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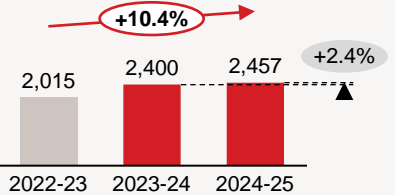


Beef and Veal¹

Average saleyard prices (c/kg)



Production (kt)

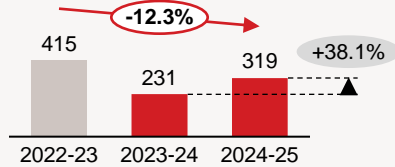


- Improving prices for 2024-25 reflecting growing global demand and constrained supply and increased domestic saleyards competition
- Production to rise 10.4% due to increased livestock turn-off rate with higher global demand and prices more than offsetting improving seasonal conditions and pasture availability

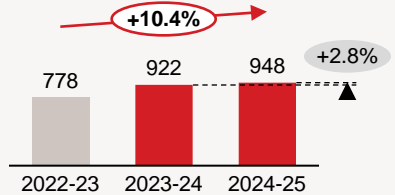


Sheep¹

Average saleyard prices (c/kg)



Production (kt)

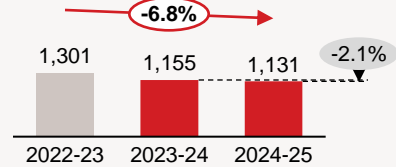


- Lamb prices to rise 24% in 2024-25 benefiting from stronger saleyards demand and greater processing capacity
- Sheep prices to jump 38% owing to rising global demand and falling supply due to improved seasonal conditions
- Sheep meat export volumes to increase on persistent global demand from the United States and Middle East

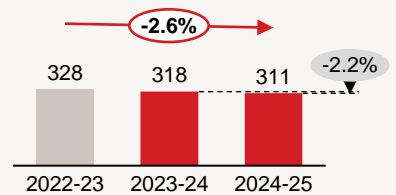


Wool¹

Eastern Market Indicator (c/kg)



Sheep shorn for wool production (kt)

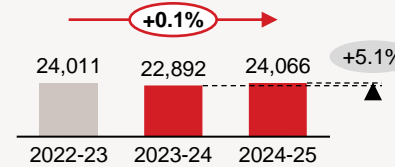


- Wool production to decrease in 2024-25 to 311,000 tonnes, driven by a contraction in the sheep flock
- Domestic wool price to fall 2% to \$1,131 c/kg in 2024-25, reflecting subdued global spend on discretionary items, and stable domestic wool production

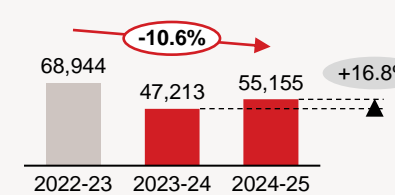


Winter Cropping²

Area planted ('000 ha)



Crop production (kt)

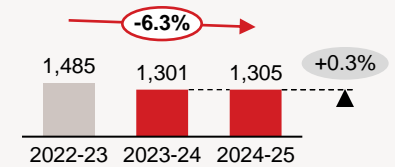


- Winter crop production to increase 17% to 55m tonnes, above the 10-year average, as favourable rainfall supports higher area planted
- Favourable conditions in all states except South Australia and parts of Victoria
- Domestic crop prices to decline driven by higher global grain and oilseed production

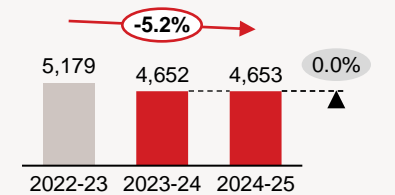


Summer Cropping²

Area planted ('000 ha)



Crop production (kt)



- Favourable summer crop outlook as Queensland and New South Wales experienced above average soil moisture in late winter and timely spring rainfall
- Total summer crop production remains well above the long-term average

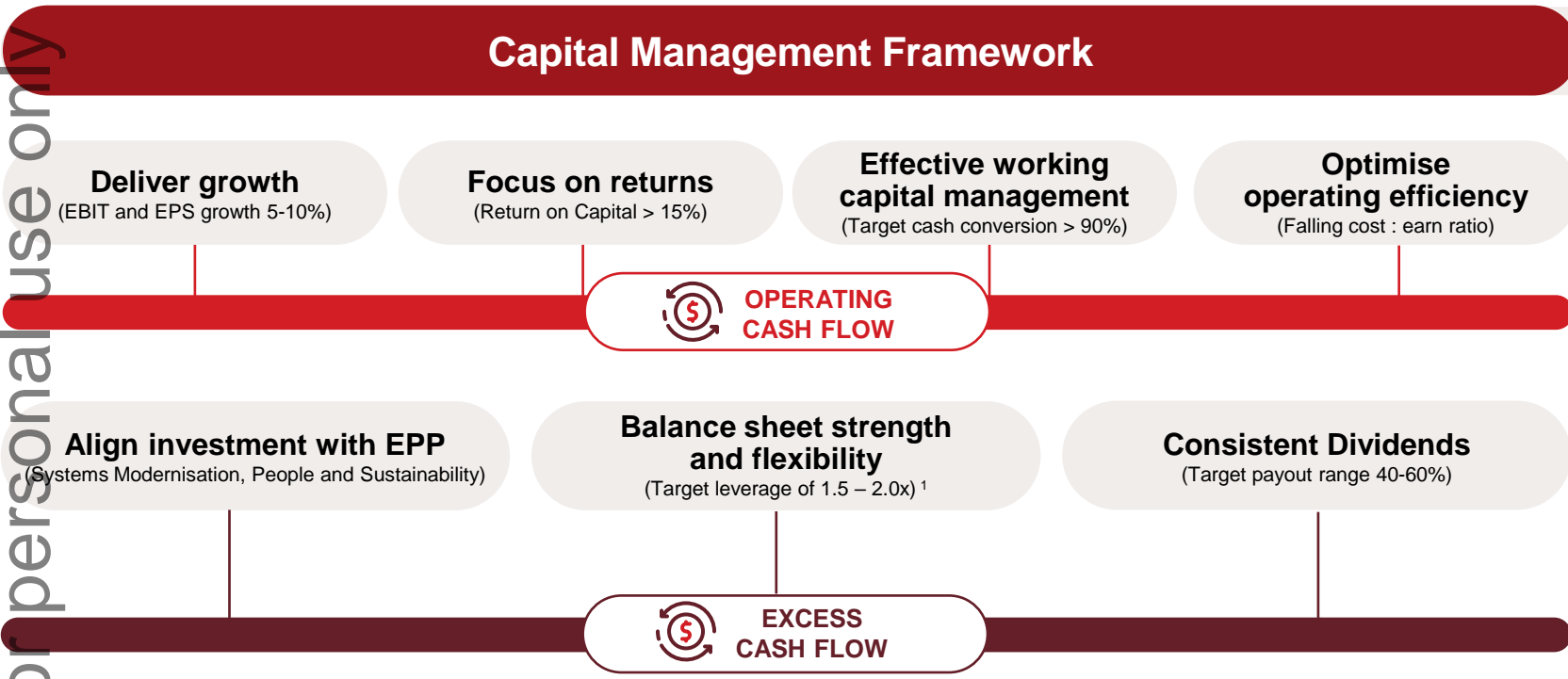
1. Department of Agriculture, Fisheries and Forestry, ABARES Agricultural Forecasts and Outlook: September edition
 2. Department of Agriculture, Fisheries and Forestry, ABARES Australian Crop Report: September edition

Elders Capital Management Framework

The Elders Eight Point Plan aspires to deliver Total Shareholder Return (TSR) in the top quartile of ASX200 companies at investment grade risk

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Capital Management Framework



Key Features of our capital management framework

Compelling Total Shareholder Return (TSR)

- Our Eight Point Plan (EPP) commits to deliver compelling returns to our shareholders with EBIT and EPS growth of 5-10% through the cycles at 15% ROC
- Reward our shareholders with consistent dividends in the range of 40-60%

Financial discipline

- We strive to maintain unflinching financial discipline by managing working capital effectively with a target cash conversion of 90% and striving to deliver a falling cost : earnings ratio each year

Investment aligned with our EPP strategy

- Deliver Systems Modernisation program to improve customer experience, people engagement and drive process and administration efficiency to better accommodate change
- Commitment to sustainability targets
- Excess cash is invested in value creation to support EPS growth, only when Elders strict investment hurdles are met

Balance sheet strength and flexibility

- Achieve investment grade risk, delivering low cost of funding, while providing flexibility for value creation opportunities
- Capital Management options are considered when opportunities to deploy free cash flow, pursuant to Elders strict investment hurdles, are limited

Value Creation

Capital Management

Value Creation			Capital Management		
Acquisitions	Divestments	Investment in organic growth	Buy-backs	Additional dividends	Debt reduction
EPS accretive pre-synergies	To reallocate capital on a risk, return basis	Customer focused with new expanded service offerings, winning market share and backward integration	Distribution of excess cash, assessed when appropriate	Higher payout ratio considered where capital required to fund EPS growth is low	As required to maintain balance sheet strength and flexibility

1. Excluding AASB 16 Leases

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